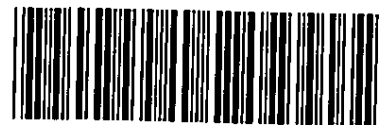


Company number 1069942

03546759

Clarendon Trust Limited
Report and Financial Statements
Year ended 31 December 2008

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CLARENDON TRUST LIMITED

Financial Statements - 31 December 2008

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CLARENDON TRUST LIMITED

TRUSTEES' ANNUAL REPORT

REFERENCE AND ADMINISTRATIVE DETAILS

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

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

The trustees throughout the year and at the date the report is signed were:

K H Brooks
S J Horne
J Hosier (retired on 30 June 2009)
P L J Jarvis
N D Jones
S S Radley
N D Ring
K Wintermeyer
H Evans

Company Secretary A Davis

The senior staff of the charity throughout the year were: P Lyndon - Elder
A Preston - Elder
S Walford - Elder
J Virgo - Elder

The church meeting place is: Church of Christ The King
The Clarendon Centre
New England Street
Brighton
East Sussex
BN1 4GT

The company's advisors are:

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

Registered Auditors: BDO LLP
Emerald House, East Street
Epsom, Surrey
KT17 1HS

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

CLARENDON TRUST LIMITED

Trustees' Report – continued

The trustees present their report and the financial statements for the year ended 31 December 2008. The financial statements have been prepared in accordance with the accounting policies set out on pages 13 and 14 and comply with the current statutory requirements, the memorandum and Articles of Association, and the Statement of Recommended Practice: Accounting and Reporting by Charities 2005.

STRUCTURE, GOVERNANCE AND MANAGEMENT

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

The company is limited by guarantee and has no share capital. The liability of the members is £10 each in the event of the company being wound up. The charity is also known as Church of Christ The King.

Potential new trustees are recommended by the Elders of the church and are appointed 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 is 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 Friends First.

RISK MANAGEMENT

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

OBJECTIVES AND ACTIVITIES

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

Clarendon Trust Limited 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.

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;

CLARENDON TRUST LIMITED

Trustees' Report – continued

- 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. It is not possible to quantify the value of this.

OBJECTIVES AND ACTIVITIES OF FRIENDS FIRST

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

The principal activity of the charity is the provision of supported housing at 60 Wilbury Road, Hove, BN3 3PA.

The vision statement of the Friends First Resettlement Programme is to see people in need equipped to achieve sustained independence.

Friends First is a partner agency in Brighton and Hove City Council's Single Homeless Strategy, and has been a provider to the Supporting People programme for Brighton and Hove since April 2003.

Friends First's experience and research had identified a need for a residential unit. The objective was to provide an environment which prepared residents to live independently, but work on the challenges of living and relating with others, and peacefully living within the wider community. The target client group, those with a history of multiple personal problems resulting in chronic homelessness, indicated the need for a robust support team and environment, 24 hour cover, and a proactive and individually tailored programme for each resident, including a comprehensive life skills programme to equip residents for independent living over a period of up to 2 years.

The Supported Housing Unit ("SHU") provides a house with twelve bed sitting rooms each equipped with basic cooking facilities, and communal facilities for the domestic, life skills training, and recreational needs of the residential community. A team of Christian staff comprising a manager, an assistant manager, five support workers, and a part-time administrative assistant staffs the SHU. Maintaining a well trained and highly motivated professional staff team is essential to achieving our goals.

All residents are accepted on the programme on the understanding that they will be engaging in a demanding programme designed to equip them with the knowledge, skills and attitudes necessary to achieve sustained independence.

Principally the Brighton and Hove Supporting People team refer residents. Every application is assessed on the basis of their needs, and the risks that they may represent within a residential unit, against our established referral and eligibility criteria. Every resident has an individual support plan agreed in the assessment phase. This is then regularly reviewed throughout their stay. Successful applicants agree to engage in 10 hours of life skills training each week. The various elements are designed to equip the resident to achieve sustained independence, and to meet the objectives of their individual support plan.

CLARENDON TRUST LIMITED

Trustees' Report – continued

ACHIEVEMENTS AND PERFORMANCE

Church of Christ the King was founded nearly 30 years ago. In this time we have sought to have a strategy which would bring blessing to the local City, the UK and internationally to the nations. This report reflects aspects of each of these 3 components.

1. Giving

Over the year church members have given over £1.5m, including recovery of tax through Gift Aid. This has been used both for the active ministries of the church and for gifts to other charitable causes both in the UK and internationally.

2. Church family

We had approximately 960 adult members at the end of 2008 representing an increase of 4.3% over the previous year. During 2008 we have assimilated about 180 people through various Alpha & Beta courses, Welcome lunches & small group life. There are over 40 nations represented in our Sunday congregation. Our Student ministry has remained constant at around 250. Those whom we are in contact with and continue to visit us on a Sunday, but are not in membership, continued to grow by approximately 30% during 2008.

There are various ministries to specific groups.

- (i) New Horizons (over 50s) provided a weekly meeting for about 20 older members and visits to those who are housebound.
- (ii) Marriage preparation continued with 16 couples during 2008. There were 7 weddings at the Clarendon Centre & 9 CCK couples were married elsewhere.
- (iii) Parenting courses continued to run in 3 different formats during the year with increasing numbers attending.

3. Development of leadership

- (i) Training was given to both our own leaders and those from other churches through a Leadership Training programme spread across 2-3 years.
- (ii) Young men were involved in a discipleship programme through meeting with the elders each Saturday morning over several months.

4. Evangelism

Sharing the good news of the gospel is core to our life as a church. Through the Alpha Course, a follow up Beta course and various events opportunity was made for hundreds to hear the gospel. Many found a new faith and were baptised. Approximately 300 people attended our various Alpha and Beta courses.

5. Young People

Regular teaching on a Sunday was given to all age groups of our young people. This included the Lighthouse, a safe and supported environment for those with some form of learning difficulty.

JWalk continues to cater for those who had outgrown our Kidz Klub ministry. Kidz Klub ceased to operate from the summer of 2008.

The Big Breakthrough club continued to provide a positive environment for about 30 severely disadvantaged children in Whitehawk.

CLARENDON TRUST LIMITED

Trustees' Report – continued

ACHIEVEMENTS AND PERFORMANCE

7. Social Action

This continued to be an important area for us during 2008.

- (i) Friends First. The Monday evening drop in for street people continued to serve about 70 regularly attending for a meal and to enjoy friendship.
- (ii) Supported Housing Unit. We were able to develop further the residential ministry in parallel with our related charity to help street homeless become equipped to move towards independent living.
- (iii) The support available through Alternatives continued to reach out to support women with crisis pregnancies and also a number received post abortion counselling.
- (iv) Citylight is still a very new ministry, which is being established and moulded. However our work has expanded considerably in 2008. One particular significant event of 2008 has been the establishment of regular outreach with Sussex Police (Brighton & Hove, and North Downs Division). This has in turn increased the number of women with whom we have made contact and the extent to which we are known across the city. 18 women & girls were supported on a one-to-one basis.
- (v) Money Matters (previously Community Debt Advice Centre-Brighton and Hove) has been running for two years and offers free advice and help to those facing personal money problems in the Brighton and Hove community. The centre has proved to be an invaluable support for our clients. For a number of clients with significant debt we have acted as a third party with their creditors and have been able to negotiate reduced payment plans. 22 people with debts ranging from a few hundred to thirty thousand pounds were helped.

8. International Outreach

We continued to be involved with the family of New Frontiers churches around the world and to play our part in supporting the release of church planters, particularly in Australia, Japan and Ghana. We have also regularly contributed financially to the wider ministry through New Frontiers.

FINANCIAL REVIEW

The accounts on pages 10 to 24 comply with statutory requirements of the Memorandum and Articles of Association.

The Consolidated Statement of Financial Activities on page 10 shows total net outgoing resources of £36,163 (2007: incoming £554,662). 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 £1,143,009 (2007: £1,104,153) 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. There is also a designated fund for the possible purchase and development of land. The trustees are currently considering how to proceed with this taking in account the best interests of the Trust.

The main asset of the charitable company is the freehold property known as the Clarendon Centre, which is used as a church meeting place. Additionally in 2002 a property was purchased for the purpose of establishing a Supported Housing Unit. From 1 January 2003 the activities of the Supported Housing Unit were transferred to Friends First, a company limited by guarantee and registered as a charity, established for this purpose. The results of Friends First, as a subsidiary,

CLARENDON TRUST LIMITED

Trustees' Report – continued

FINANCIAL REVIEW – continued

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.

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 policy is reviewed annually by the Trustees.

The charity has a number of restricted and designated funds, details of which are given in notes 12 and 13 to the financial statements. These funds which would only be realised by disposing of fixed assets held for charity use are also excluded from the figure for free reserves.

The level of reserves is monitored throughout the year and it is the charity's policy to maintain sufficient cash reserves to ensure both the small ongoing operations of the charity and to cope with any emergencies or opportunities that arise.

The trustees consider that the charity needs to maintain free reserves of three months unrestricted expenditure. At 31 December 2008, free reserves were £550,759 compared to a figure of £513,705 for three months unrestricted expenditure and were therefore slightly in excess of this target.

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.

It is anticipated that a 3rd Sunday meeting will commence during 2009 to allow for further growth. The Leadership of the Trust have a strategic and financial plan which is shaping major decisions. The primary aim of this plan is to see continued growth in our Sunday congregations, more effective care of our membership and continued outreach to those in need in our society.

TRUSTEES RESPONSIBILITIES

The trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

CLARENDON TRUST LIMITED

Trustees' Report – continued

TRUSTEES RESPONSIBILITIES

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

AUDITORS

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

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

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

Approved by the trustees on ...15/10/09..... and signed on their behalf by



N D Ring
Trustee

21/23 Clarendon Villas
Hove
East Sussex
BN3 3RE

CLARENDON TRUST LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CLARENDON TRUST LIMITED

We have audited the group and parent company financial statements of Clarendon Trust Limited for the year ended 31 December 2008 which comprise the consolidated Statement of Financial Activities, the Consolidated and Parent Company Balance Sheets and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

Respective responsibilities of trustees and auditors

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

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and have been properly prepared in accordance with the Companies Act 1985 and whether the information given in the Trustees' Report is consistent with these financial statements.

We also report to you if, in our opinion, the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the charity is not disclosed.

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

Our report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person entitled to rely upon this report by virtue of, and for the purpose of, the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby disclaim any and all such liability

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

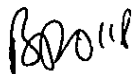
CLARENDON TRUST LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CLARENDON TRUST LIMITED -
continued**

Opinion

In our opinion:

- the consolidated financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the group's affairs at 31 December 2008, and of its incoming resources and resources expended, including its income and expenditure, for the year then ended;
- the parent company financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the parent company's affairs as at 31 December 2008;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Trustees' Report is consistent with the financial statements.



BDO LLP

Chartered accountants & registered auditors

Epsom

United Kingdom

Date: 23/10/09

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

CLARENDON TRUST LIMITED

Consolidated Statement of Financial Activities (including income and expenditure accounts) For the Year Ended 31 December 2008

INCOMING RESOURCES	Notes	Unrestricted funds	Restricted funds	Total funds 2008	Total funds 2007
		£	£	£	£
Incoming resources from generated funds					
Voluntary income	2	1,904,744	70,705	1,975,449	2,654,034
Activities for generating funds		-	-	-	12,764
Investment income		30,719	283	31,002	22,419
Incoming resources from charitable activities					
Supported Housing		-	265,654	265,654	205,266
Conferences and other events		120,423	-	120,423	82,811
Trading activities		37,775	-	37,775	37,181
Total incoming resources		<u>2,093,661</u>	<u>336,642</u>	<u>2,430,303</u>	<u>3,014,475</u>
Resources expended					
Cost of generating funds					
Fundraising and publicity		25,552	-	25,552	47,915
Charitable activities					
Conference costs		45,442	-	45,442	26,585
Bookshop costs		34,385	-	34,385	26,866
Pastoral costs		1,239,971	56,703	1,296,674	1,228,191
Mission support costs		687,024	107,650	794,674	869,096
Supported Housing Unit		-	254,793	254,793	242,621
Governance Costs	4	<u>14,946</u>	<u>-</u>	<u>14,946</u>	<u>18,539</u>
Total resources expended	3	<u>2,047,320</u>	<u>419,146</u>	<u>2,466,466</u>	<u>2,459,813</u>
Net movement in funds		46,341	(82,504)	(36,163)	554,662
Transfers		(7,485)	7,485	-	-
		<u>38,856</u>	<u>(75,019)</u>	<u>(36,163)</u>	<u>554,662</u>
Fund balances brought forward at 1 January 2008		<u>1,104,153</u>	<u>2,064,678</u>	<u>3,168,831</u>	<u>2,614,169</u>
Fund balances carried forward at 31 December 2008	14	<u><u>1,143,009</u></u>	<u><u>1,989,659</u></u>	<u><u>3,132,668</u></u>	<u><u>3,168,831</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 net outgoing resources have been calculated on the historical cost basis.

The notes on pages 13 to 24 form part of these financial statements.

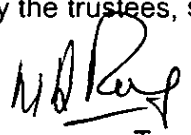
CLARENDON TRUST LIMITED

Balance Sheets at 31 December 2008

	Notes	2008 Group £	2007 Group £	2008 Charity £	2007 Charity £
FIXED ASSETS					
Tangible assets	7	2,541,219	2,615,604	2,537,750	2,614,686
CURRENT ASSETS					
Stock	8	17,125	17,567	17,125	17,567
Debtors	9	99,547	135,141	105,031	153,265
Cash at bank and in hand		737,625	627,863	723,546	612,250
		<u>854,297</u>	<u>780,571</u>	<u>845,702</u>	<u>783,082</u>
CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR	10	(162,848)	(127,344)	(148,137)	(115,429)
NET CURRENT ASSETS		<u>691,449</u>	<u>653,227</u>	<u>697,565</u>	<u>667,653</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,232,668	3,268,831	3,235,315	3,282,339
CREDITORS - AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR					
	11	(100,000)	(100,000)	(100,000)	(100,000)
NET ASSETS		<u>3,132,668</u>	<u>3,168,831</u>	<u>3,135,315</u>	<u>3,182,339</u>
FUNDS					
Unrestricted funds					
General funds	12	670,906	672,522	670,906	672,522
Designated funds	12	472,103	431,631	472,103	431,631
Restricted funds	13	<u>1,989,659</u>	<u>2,064,678</u>	<u>1,992,306</u>	<u>2,078,186</u>
TOTAL FUNDS	14	<u>3,132,668</u>	<u>3,168,831</u>	<u>3,135,315</u>	<u>3,182,339</u>

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

Approved by the trustees, signed on their behalf by and authorised for issue on...15/10/09.....


N D Ring - Trustee

The notes on pages 13 to 24 form part of these financial statements.

CLARENDON TRUST LIMITED

Concolidated Cash Flow Statement For the year ended 31 December 2008

	Notes	£	2008 £	£	2007 £
Reconciliation of net incoming/(outgoing) resources to net cash flow from operating activities					
Net (outgoing)/incoming resources		(36,163)		554,662	
Investment income		(31,002)		(22,419)	
Depreciation	7	99,723		104,042	
Loss on disposal of tangible fixed assets		-		1,131	
Decrease in stock		442		2,176	
Decrease/(increase) in debtors		35,594		(8,072)	
Increase/(decrease) in current liabilities		<u>35,504</u>		<u>(80,615)</u>	
Net cash inflow from operating activities			104,098		550,905
Returns on investments and servicing of finance					
Investment income received		31,002		22,419	
Repayment of long term creditor		<u>-</u>		<u>(326,625)</u>	
Net cash inflow/(outflow) from returns on investments and servicing of finance			31,002		(304,206)
Capital expenditure					
Purchase of tangible fixed assets	7	<u>(25,338)</u>		<u>(10,759)</u>	
Net cash outflow from capital expenditure			(25,338)		(10,759)
Increase in cash in the year			<u>109,762</u>		<u>235,940</u>
Reconciliation of net cash flow to movement in net cash funds					
Net funds at beginning of the year			627,863		391,923
Change in net funds during the year			<u>109,762</u>		<u>235,940</u>
Net funds at end of the year			<u>737,625</u>		<u>627,863</u>

The notes on pages 13 to 24 form part of these financial statements.

CLARENDON TRUST LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2008

1 ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and the Statement of Recommended Practice 2005 (SORP 2005) 'Accounting and Reporting by Charities' and the Companies Act 1985.

(a) Basis of preparation

Consolidated accounts have been prepared which consolidate the results of Clarendon Trust Limited and Friends First 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 230 of the Companies Act 1985 and paragraph 397 of the SORP 2005.

The gross income of Clarendon Trust Limited itself was £2,171,866 (2007: £2,759,804) and its net outgoing resources were £47,024 (2007: incoming £554,070).

(b) Donations

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

(c) Jubilee Books and Music sales

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

(d) Allocation of expenditure

Expenditure is allocated between cost of generating funds, charitable expenditure, support costs and the cost of management and administration of the charitable company on an invoice basis. Overhead and Support costs have been allocated to charitable activities. Staff costs are apportioned on the basis of actual time spent.

Governance costs comprise all costs involving public accountability of the group and its compliance with regulation and good practice.

(e) Fixed assets and depreciation

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

CLARENDON TRUST LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2008

(e) Fixed assets and depreciation (continued)

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

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

(f) Voluntary assistance

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

(g) Stock

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

(h) Taxation

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

(i) Pensions

The charitable company contributes to defined contribution pension schemes. The charge to the Consolidated Statement of Financial Activities for 2008 was £79,933 (2007 - £87,027).

(j) Fund accounting

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

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

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

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

2 VOLUNTARY INCOME

	2008	2007
	£	£
Donations and other funding	1,630,372	2,196,948
Grant from New Frontiers International Trust Ltd	274,372	317,786
Restricted donations and grants	70,705	139,300
	<u>1,975,449</u>	<u>2,654,034</u>

CLARENDON TRUST LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2008

3 TOTAL RESOURCES EXPENDED

	Depreciation	Staff Costs	Other Costs	Total 2008	Total 2007
	£	£	£	£	£
Conference costs	-	5,307	40,135	45,442	26,585
Bookshop costs	1,733	5,307	27,345	34,385	26,866
Fundraising and publicity	-	21,227	4,325	25,552	47,915
Pastoral costs	69,180	767,496	459,998	1,296,674	1,228,191
Mission Support costs	26,447	321,989	446,238	794,674	869,096
Supported Housing Unit	2,363	208,844	43,586	254,793	242,621
Governance Costs	-	-	14,946	14,946	18,539
	<u>99,723</u>	<u>1,330,170</u>	<u>1,036,573</u>	<u>2,466,466</u>	<u>2,459,813</u>

4 GOVERNANCE COSTS

	Unrestricted funds	Restricted funds	Total 2008	Total 2007
	£	£	£	£
Legal and professional fees	1,887	-	1,887	2,579
Audit fee	13,059	-	13,059	15,960
	<u>14,946</u>	<u>-</u>	<u>14,946</u>	<u>18,539</u>

5 TRUSTEES

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

	Salary		Pension	
S J Horne	£39,109	(2007 - £35,928)	£2,933	(2007 - £2,740)
J Hosier	£46,374	(2007 - £45,023)	£6,956	(2007 - £6,753)
N Jones	£41,542	(2007 - £39,456)	£3,116	(2007 - £2,959)
N D Ring	£41,769	(2007 - £48,068)	£9,346	(2007 - £7,210)

All Pension contributions were paid under a defined contribution scheme.

There were no reimbursed expenses paid to trustees (2007: nil).

CLARENDON TRUST LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2008

6 STAFF COSTS

Group	2008 £	2007 £
Gross salaries	1,134,190	1,050,405
Social security costs	116,047	96,136
Pension costs	79,933	87,027
	<u>1,330,170</u>	<u>1,233,568</u>

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

	2008 Number	2007 Number
Pastoral and Mission Support	28	28
Fundraising and Publicity	1	1
Jubilee Books and Music	1	1
Supported Housing Unit	9	9
Support and administration	14	15
	<u>53</u>	<u>54</u>

CLARENDON TRUST LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2008

7 TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures, fittings and office equipment £	Total £
COST			
Parent Company			
At 1 January 2008	3,477,585	607,443	4,085,028
Additions	-	20,424	20,424
Disposals	-	-	-
At 31 December 2008	<u>3,477,585</u>	<u>627,867</u>	<u>4,105,452</u>
Subsidiary at 1 January 2008	-	9,200	9,200
Additions	-	4,914	4,914
Subsidiary at 31 December 2008	-	<u>14,114</u>	<u>14,114</u>
Group at 31 December 2008	<u>3,477,585</u>	<u>641,981</u>	<u>4,119,566</u>
ACCUMULATED DEPRECIATION			
Parent Company			
At 1 January 2008	1,032,243	438,099	1,470,342
Charge for the year	59,406	37,954	97,360
Disposals	-	-	-
At 31 December 2008	<u>1,091,649</u>	<u>476,053</u>	<u>1,567,702</u>
Subsidiary			
At 1 January 2008	-	8,282	8,282
Charge for the year	-	2,363	2,363
At 31 December 2008	-	<u>10,645</u>	<u>10,645</u>
Group at 31 December 2008	<u>1,091,649</u>	<u>486,698</u>	<u>1,578,347</u>
NET BOOK VALUES			
Parent Company at 31 December 2008	<u>2,385,936</u>	<u>151,814</u>	<u>2,537,750</u>
Subsidiary at 31 December 2008	-	<u>3,469</u>	<u>3,469</u>
Group at 31 December 2008	<u>2,385,936</u>	<u>155,283</u>	<u>2,541,219</u>
At 31 December 2007	<u>2,445,342</u>	<u>170,262</u>	<u>2,615,604</u>

CLARENDON TRUST LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2008

8 STOCK

Group and parent company	2008 £	2007 £
Goods for resale	<u>17,125</u>	<u>17,567</u>

9 DEBTORS

	2008 Group £	2007 Group £	2008 Charity £	2007 Charity £
DUE WITHIN ONE YEAR				
Other debtors	2,114	26,086	2,114	26,086
Prepayments and accrued income	97,433	103,759	90,695	103,759
Due from subsidiary undertaking	-	-	12,222	18,124
	<u>99,547</u>	<u>129,845</u>	<u>105,031</u>	<u>147,969</u>
DUE AFTER ONE YEAR				
Other debtors (accommodation fund loans)	-	5,296	-	5,296
	<u>99,547</u>	<u>135,141</u>	<u>105,031</u>	<u>153,265</u>

Included above are loans totalling £Nil (2007 - £5,296) made from the accommodation fund. These loans are all interest-free.

10 CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	2008 Group £	2007 Group £	2008 Charity £	2007 Charity £
Jubilee loan	-	14,350	-	14,350
Taxation and social security	5,739	1,428	5,739	1,428
Accruals and deferred income	157,109	111,566	142,398	99,651
	<u>162,848</u>	<u>127,344</u>	<u>148,137</u>	<u>115,429</u>

New Frontiers International Trust Ltd. provided the Jubilee loan interest-free. This loan was written off in 2008.

CLARENDON TRUST LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2008

11 CREDITORS - AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

Group and charity	2008 £	2007 £
Other creditors	100,000	100,000

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

12 UNRESTRICTED FUNDS

Group and Charity	Balance at 1 January 2008 £	Movement in resources			Balance at 31 December 2008 £
		Incoming £	Outgoing £	Transfers £	
Designated fund					
Maintenance fund	23,414	-	(19,015)	19,992	24,391
Gift Day fund	56,727	464,333	(65,000)	(453,169)	2,891
Worship School fund	15,216	-	-	(5,000)	10,216
Missions fund	9,226	-	(4,934)	-	4,292
Hot Zones	5,681	-	(50)	(5,631)	-
Urban Impact	5,153	185	(419)	(3,118)	1,801
Impact student fund	15,393	-	(20,399)	5,006	-
Alternatives fund	15,000	-	-	(7,500)	7,500
KK Buses fund	11,580	-	(11,800)	-	(220)
Friends First fund	1,221	-	(1,221)	-	-
Community action fund	12,845	-	(12,845)	-	-
Contingency fund	16,146	1,207	(39,861)	30,699	8,191
Building fund	237,759	323	(130,698)	274,991	382,375
J Walk	1,282	-	-	-	1,282
Lounge fund	4,988	-	(3,104)	-	1,884
Recession emergency fund	-	-	(2,500)	30,000	27,500
General fund	672,522	1,627,613	(1,735,474)	106,245	670,906
	<u>1,104,153</u>	<u>2,093,661</u>	<u>(2,047,320)</u>	<u>(7,485)</u>	<u>1,143,009</u>

CLARENDON TRUST LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2008

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

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

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

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

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

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

The **Alternatives fund** has been created to provide for costs associated with the second of a two year cycle relating to a pregnancy advisory service.

The **KK Buses fund** was established to cover the cost of buses over and above the general fund budget.

The **Friends First fund** was set aside to cover the costs of the homeless drop-in.

The **Community Action Fundraiser fund** was established to provide for the work of establishing a fundraising strategy for the activities of the trust.

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 **Building fund** was established to meet the costs of proposed building work.

The **J Walk fund** was established to cover costs in connection with work with children after they leave Kids Klub.

The **Lounge fund** was established to refurbish the lounge area in the Clarendon Centre.

The **Recession emergency fund** was established to assist people in financial difficulty in the current economic downturn.

CLARENDON TRUST LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2008

13 RESTRICTED FUNDS

Group	Balance at	Movement in resources			Balance at
	1 January 2008 £	Incoming £	Outgoing £	Transfers £	31 December 2008 £
Building fund	1,715,642	-	(47,952)	-	1,667,690
Accommodation fund	13,185	283	(5,296)	-	8,172
Alternatives	5,053	16,464	(22,537)	7,500	6,480
Special Needs fund	3,428	25	(1,510)	-	1,943
Supported Housing Unit	315,816	-	(19,371)	-	296,445
Oasis En Gedi	17,666	38,386	(51,753)	-	4,299
Israel	759	-	(759)	-	-
Connaught Room fund	3,497	-	-	-	3,497
Graphic display fund	2,048	-	-	-	2,048
Police checking fund	1,092	-	(1,945)	-	(853)
Zimbabwe	-	13,344	(11,895)	(15)	1,434
Sanele Ncube	-	2,486	(1,335)	-	1,151
Charity sub total	<u>2,078,186</u>	<u>70,988</u>	<u>(164,353)</u>	<u>7,485</u>	<u>1,992,306</u>
Subsidiary					
Residents' benefit	2,183	-	-	-	2,183
Friends First	(15,691)	265,654	(254,793)	-	(4,830)
	<u>2,064,678</u>	<u>336,642</u>	<u>(419,146)</u>	<u>7,485</u>	<u>1,989,659</u>

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

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

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

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

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

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

CLARENDON TRUST LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2007

13 RESTRICTED FUNDS (continued)

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

The **Connaught Room fund** was established from a donation to upgrade the PA and AV equipment in the Connaught room at Clarendon Villas.

The **Graphic display fund** was established from a donation to purchase a display panel for the Clarendon Centre.

Monies given at the Christmas services was set aside to give to provide humanitarian relief in Zimbabwe, as was the **Sanele Ncube fund**.

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

Friends First is the general fund from the subsidiary.

CLARENDON TRUST LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2008

14 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Group	Tangible fixed assets £	Net current assets £	Long term liabilities £	Total £
Restricted funds				
Building fund	1,669,361	(1,671)	-	1,667,690
Accommodation fund	-	8,172	-	8,172
Alternatives	-	6,480	-	6,480
Special Needs fund	-	1,943	-	1,943
Supported Housing Unit fund	748,242	(451,797)	-	296,445
Oasis En Gedi	-	4,299	-	4,299
Israel	-	-	-	-
Connaught Room fund	-	3,497	-	3,497
Graphic display fund	-	2,048	-	2,048
Police checking fund	-	(853)	-	(853)
Zimbabwe	-	1,434	-	1,434
Sanale Ncube	-	1,151	-	1,151
Charity sub total	2,417,603	(425,297)	-	1,992,306
Subsidiary				
Residents' benefit	-	2,183	-	2,183
Friends First	3,469	(8,299)	-	(4,830)
	2,421,072	(431,413)	-	1,989,659
Unrestricted funds				
General funds	120,147	550,759	-	670,906
Designated funds	-	572,103	(100,000)	472,103
	2,541,219	691,449	(100,000)	3,132,668

CLARENDON TRUST LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2008

15 CONNECTED CHARITY

The charitable company is connected with New Frontiers International Trust Limited (of The Matrix Complex, 91 Peterborough Road, London, SW6 3BU) in that the charities have two common trustees. During the year, New Frontiers International Trust Limited (Newfrontiers) made a grant of £274,372 (2007 - £317,786) to Clarendon Trust Limited and Clarendon Trust Limited gave £90,612 (2007 - £91,752) to Newfrontiers. The trustees do not consider that Clarendon Trust Limited controls New Frontiers International Trust Limited.

Included in creditors falling due within one year is an interest-free loan of £Nil (2007 - £14,350) made by New Frontiers to Jubilee Books and Music (part of Clarendon Trust Limited). Included in debtors within one year is an amount of £2,114 owing from New Frontiers.

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

16 SHARE CAPITAL

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

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

17 COMMITMENT

At 31 December 2008, the group was committed to making the following payment under a non-cancellable operating lease in the year to 31 December 2008:

	2008	2007
	£	£
Operating lease which expires:		
Less than 1 year	1,410	630
Within 2 to 5 years	10,904	8,772

18 SUBSIDIARY

During 2003, the activities of the Supported Housing Unit were taken over by Friends First, a subsidiary under the control of Clarendon Trust Limited. The net deficit funds of the subsidiary at 31 December 2008 were £2,647 (2007 - £13,508). During the year ended 31 December 2008, Friends First generated incoming resources of £265,652 and expended resources of £254,791.