

Company number 3546759

Clarendon Trust Limited
Report and Financial Statements
Year ended 31 December 2016



CLARENDON TRUST LIMITED

Financial Statements - 31 December 2016

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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:

T Fahy
S Horne
P Jarvis
N Jones
H Evans
J Foreman
I Bailey
K Stevens
M Sibanda
K Ball

Company Secretary A Davis (resigned on 12th July 2016)
A Waller (appointed on 12th July 2016)

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

The church meeting places are:

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

The company's advisors are:

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

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

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

CLARENDON TRUST LIMITED

Trustees' Report – continued

The trustees present their report and the financial statements for the year ended 31 December 2016. The financial statements have been prepared in accordance with the accounting policies set out on pages 14 and 15 and comply with the current statutory requirements, the memorandum and Articles of Association, and the Statement of Recommended Practice: Accounting and Reporting by Charities 2015.

STRUCTURE, GOVERNANCE AND MANAGEMENT

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

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

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

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

RISK MANAGEMENT

The trustees have recognised the importance of assessing and managing risk associated with the charity's objectives. The process of identifying risk is ongoing and has been an essential part of the management of the charity for some years. Clarendon Trust and its subsidiaries Friends First Trust and Oaks Trust have a set of comprehensive policies and rules in place to ensure ongoing identification, management and documentation of foreseeable risks.

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

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

OBJECTIVES AND ACTIVITIES

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.

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.

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

1. Sunday services and Multisite

In 2011 CCK embarked on a multi-site strategy to allow for growth across the Brighton and Hove conurbation. CCK now meets in four sites at Brighton (New England site), Shoreham, East Brighton (Racecourse site) and Hove running 8 services in 4 venues on every Sunday across the city. It is our intention to continue to develop as a multi-site church through 2017. Sharing the good news of the gospel is core to our life as a church. Through our weekly Sunday meetings the opportunity was made for hundreds to hear the gospel. Many found new faith and were baptised in water and our membership increased throughout 2016. There continue to be over 40 nations represented in our Sunday congregation. Those whom we are in contact with and continue to visit us on a Sunday, but are not in membership, also continued to grow during 2016.

New England site

The New England site is located at the Clarendon Centre and gathers app. 700 people on Sundays. There are two services at 10.30am and 6.00pm. The morning service provides six kids work options (from parents room to youth work) as we aim to deliver a great church for kids. There's also a weekly food option including breakfast and lunches for people to enjoy. We baptised 52 people and welcomed 104 people into membership. Both meetings experienced stable attendance on Sunday and in our midweek communities through the year. We are hoping to serve more people with the Good News across Brighton and on the university campuses.

Hove site

The Hove site is located at our Clarendon Villas building and gathers around 200 people on Sundays. We've experienced stable growth in attendance following the restructuring of Sunday services to two morning services. The 10am service is now full to capacity. We have a second smaller service at 11.45am. During the week The Villas hosts a range of community facing events. Of particular note, a café which opens for three days a week has proven very popular for parents with young children in the community. As a Church site we will look to move our Sunday services times to maximise growth potential. We envisage doing this in the autumn term of 2017. We will also look to further enhance the use of the ground floor space at The Villas to increase our community impact and therefore our missional reach as a Church. As a way of prioritising serving the poor in the city we will look to develop our partnership with Friends First.

CLARENDON TRUST LIMITED

Trustees' Report – continued

Shoreham

The Shoreham Site meets at The Shoreham Centre in the heart of the town and gathers on average 270 people for two morning services. The site is growing steadily with many people also involved in 25 mid-week small groups. In 2016 eleven people were baptised and 18 became members. Our annual early summer camp, Westival, which meets in early June, is almost fully booked. Our outreach to the town is spearheaded by the Shoreham Foodbank and Baby Basics projects which are serving local needs.

East Brighton/Racecourse

The East Brighton site currently meets at the Brighton Racecourse gathering on average 200 children and adults. During 2016 the site has not seen much attendance growth but is seeing more evangelistic fruit and people getting baptised and coming into membership. The leadership team negotiated a bigger room and the site is now back together in one service. The leadership team has restructured with the purpose of creating capacity for growing to 300.

2. Training, courses and membership care

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

Small group life has been very fruitful in 2016. All our sites run a time-bound small group approach which has led to a significant increase in attendance. The number of small groups is now in excess of 150 across the church. Another ministry is New Horizons (over 50s) providing a weekly meeting for about 20 older members and visits to those who are housebound. Marriage preparation continued during 2016. We met with a number of engaged couples who have either started or completed marriage preparation material with church members. We also continued to run the Alpha Course.

We continue to run an in-depth pastoral course called Redemption for church members. We had 86 people on Redemption this year. 542 people in total have completed the course since it started. Pastoral Care further includes referral. This is a time-bound pastoral support programme. The referral team has finished another term of training with a team now of 48 people. We have seen 38 people being supported through referral last year. Overall, pastoral teams are now re-established in all four sites.

3. Church planting

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

Berlin

CCK continued to support the church plant in Berlin by seconding a church elder and his wife to that church. During 2016 regular Sunday attendance in the heart of the city has increased from 90 to approximately 120. Children's ministry has continued to grow and mid-week groups have grown from four to seven. Four people have come to faith in Christ. We moved in October to a larger Sunday venue which will accommodate up to 170 people. For 2017 the church plant is considering either a bigger venue or to move to two services to cater for growth in Sunday attendance from autumn onwards. There are further plans to formalise the leadership team, continue to develop small group life, train leaders and grow the student ministry.

CLARENDON TRUST LIMITED

Trustees' Report – continued

Amsterdam

In 2016 CCK also continued to support the church plant in Amsterdam. They are gathering app. 50 people on a weekly basis in a venue in the heart of Amsterdam.

Ottawa

CCK supports a couple who led the Hove site for several years and then moved to Ottawa in November 2015 to plant Grace City Church in 2016. The church has grown from a small gathering in the couple's home with approximately 15-20 people, to a church plant with approximately 50 people attending each Sunday in a rented venue in central Ottawa. There are currently 4 small groups that meet mid-week in the church, with plans to add another 3 into the fall term. Three people have come to faith in Christ over the past few months. Church of Christ the King continues to provide ongoing support through prayer, finance, and regular leadership input. The church has reached the comfortable capacity of their current venue, and hopes to find a larger venue that will also provide a separate room for a children's ministry. They are also planning to increase the mid-week small groups and are in the early stages of planning for a Life Group at the University of Ottawa.

4. Youth work

All five youth groups have consolidated their provision and are now going through a process of alignment so that families get a similar experience at each of our venues in terms of branding, content and rhythm. We have new leaders in our older teens work and they are preparing for a move to Friday nights and to the Clarendon Centre. The older teens are also leveraging their link to the New England evening service as a place to gather and connect with the young people. We have run more and better Newday Brighton events and continue to look at ways to use these events to reach the youth of Brighton and Hove.

5. Newday

In our second year with oversight of Newday we once again gathered over 6,000 people at the Norfolk Showground. The number of new churches continues to grow with 21 joining us for the first time at this year's event. Overall an incredible week seeing many young people's lives being radically changed and the gospel being preached with over 400 making a commitment to follow Jesus and a significant number of young people testifying to physical healing. The generosity and faithfulness of the young people was once again demonstrated in an offering of over £120K being raised. Newday continues to have a significant impact on young people's lives and there are plans to grow the event in 2017 and beyond.

6. Social Action

This continued to be an important area for us during 2016. The Social Engagement ministries included the following:

Oaks Trust

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

The Foodbank serves the Shoreham-by-Sea area with emergency food parcels, designed to meet a crisis need. Over the last year we have fed over 1000 people and we have seen an increase in Foodbank use this year. At the beginning of 2017 we moved into our second Foodbank Centre venue in Shoreham Free Church which also includes our new office space. We have also seen an increase in our Volunteer team across all areas and an increase in support through donations.

CLARENDON TRUST LIMITED

Trustees' Report – continued

'Alternatives' is a pregnancy counselling service giving support to people facing an unplanned pregnancy or pregnancy loss. During 2016 we have built our counselling team to six counsellors and will look to take on 2 university placements in September. Our referrals come from the Royal Sussex County hospital, the Well-being Service and local G.P's. We have seen a sharp rise in clients (42 have come into Alternatives since mid-January) and also a rise in couples and men using the service. Our work has continued to meet with those in loss through early and late miscarriage, stillbirth, terminations and we have worked with an increase of couples in grief through the process of IVF. We have raised the standard of what we offer; five of our counsellors are now professionally trained, qualified to work with post-traumatic stress, bodywork and couples counselling.

Friends First Trust

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

Friends First developed their housing pathway by partnering with a private investor buying a 5 bed property in 2015. In 2016, 14 people were securely accommodated across two properties and a further three people were lodging with local families connected to Friends First.

Regarding work experience 25 successful applicants progressed onto the Employment Pathways, 44% of which secured employment afterwards or accessed work experience or further education. Friends First also linked with 28 employment partners. Through various enterprise activities, Friends First was able to raise £50,000 in income.

In 2016 we again run a night-shelter through the winter months of 2016 to give the homeless a place to sleep one night a week. This was in partnership with other local churches and charities so that the homeless had a place to stay every night of the week.

CLARENDON TRUST LIMITED

Trustees' Report – continued

FINANCIAL REVIEW

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

The Consolidated Statement of Financial Activities on page 11 shows total net outgoing resources of £175,906 (2015: £356,713 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 £1,184,668 (2015: £1,214,251) on the unrestricted funds at the year end. The principal restricted fund operated by the charity is the building fund. This has been used to fund the purchase and construction of the Clarendon Centre.

The main asset of the charitable company is the freehold property known as the Clarendon Centre, which is used as a church meeting place. The results of both subsidiaries - Friends First Trust and Oaks Trust – are consolidated into these financial statements and are included within restricted funds. The charitable company is dependent upon the continued receipt of donated income. At the year end its financial position was satisfactory.

The charity's employees' remuneration including key management personnel is set according to a salary band structure that has been established by the trustees using benchmarks with comparable organisations.

RESERVES POLICY

Clarendon Trust's reserves policy is to maintain a sufficient level of reserves to enable operating activities to be maintained, taking account of potential risks and contingencies that may arise from time to time. The level of reserves is monitored throughout the year and the policy is reviewed annually by the Trustees. The trustees consider that the charity currently needs to maintain free reserves of £180,000. At 31 December 2016, free reserves were £170,668.

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

PLANS FOR FUTURE PERIODS

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

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

CLARENDON TRUST LIMITED

Trustees' Report – continued

TRUSTEES RESPONSIBILITIES

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

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

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

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

AUDITORS

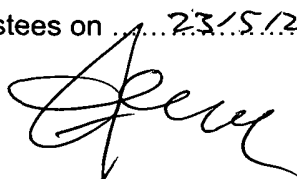
All of the current trustees have taken all steps that they ought to have taken to make themselves aware of any information needed by the Trusts' auditors for the purposes of their audit and to establish that the auditors are aware of that information. The trustees are not aware of any relevant information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

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

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

Approved by the trustees on ...23/5/2017... and signed on their behalf by

Tal Fahy (Trustee)



21/23 Clarendon Villas
Hove
East Sussex
BN3 3RE

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

We have audited the financial statements of Clarendon Trust Limited for the year ended 31 December 2016 which comprise the Consolidated Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Group 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 charity's trustees and members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees and 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 charity and the charity's trustees and 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 Statement of Trustees' Responsibilities, 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.

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts. 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 Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 December 2016, 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 and the Charities Act 2011.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES AND MEMBERS OF CLARENDON TRUST LIMITED (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 and the Charities Act 2011 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime, take advantage of the small companies exemption in preparing the trustees' report or the exemption from the requirements to prepare a strategic report.



John Thacker, Senior Statutory Auditor
for and on behalf of Chariot House Limited, Statutory Auditor
Brighton
United Kingdom

Date: 24 Aug 2017

Chariot House Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Chariot House Limited is a limited company registered in England and Wales (with registered number)

CLARENDON TRUST LIMITED

Consolidated Statement of Financial Activities (including income and expenditure account) For the Year Ended 31 December 2016

	Notes	Unrestricted funds	Restricted funds	Total funds 2016	Total funds 2015
INCOME FROM		£	£	£	£
Donations and legacies	2	1,913,056	32,326	1,945,382	1,971,860
Charitable Activities					
Housing and Work Support		-	122,548	122,548	164,477
Conferences and other events		866,103	-	866,103	852,629
Trading activities		136,744	-	136,744	89,921
Investments		6,291	-	6,291	3,928
Other income		-	-	-	395,433
Total income		<u>2,922,194</u>	<u>154,874</u>	<u>3,077,068</u>	<u>3,478,248</u>
EXPENDITURE ON					
Expenditure on Raising Funds		34,188	-	34,188	33,693
Expenditure on Charitable activities					
Conference costs		551,124	50,000	601,124	531,797
Café and Bookshop costs		71,903	-	71,903	14,510
Pastoral costs		1,217,191	125,410	1,342,601	1,106,253
Mission support costs		977,700	613	978,312	1,146,558
Housing and Work Support		-	224,846	224,846	288,724
Total expenditure	3	<u>2,852,105</u>	<u>400,868</u>	<u>3,252,974</u>	<u>3,121,535</u>
Net income (expenditure)		70,089	(245,944)	(175,906)	356,713
Transfers between funds	10/ 11	(99,671)	99,671	-	-
Net movement in funds		(29,582)	(146,323)	(175,906)	356,713
Fund balances brought forward at 1 January 2016		1,214,251	1,587,621	2,801,872	2,445,159
Fund balances carried forward at 31 December 2016	12	<u>1,184,668</u>	<u>1,441,298</u>	<u>2,625,966</u>	<u>2,801,872</u>

The Statement of Financial Activities reflects the results of continuing activities for the year. There were no recognised gains or losses for the year other than those shown on the Consolidated Statement of Financial Activities.

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

CLARENDON TRUST LIMITED**Balance Sheets at 31 December 2016**

	Notes	2016 Group £	2015 Group £	2016 Charity £	2015 Charity £
FIXED ASSETS					
Tangible assets	6	1,508,978	1,542,829	1,508,978	1,541,265
CURRENT ASSETS					
Stock	7	3,526	6,597	3,526	6,597
Debtors	8	193,645	207,436	189,351	200,570
Cash at bank and in hand		1,008,845	1,131,746	918,938	1,040,120
		<u>1,206,016</u>	<u>1,345,779</u>	<u>1,111,815</u>	<u>1,247,288</u>
CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR	9	<u>(89,028)</u>	<u>(86,736)</u>	<u>(83,550)</u>	<u>(75,873)</u>
NET CURRENT ASSETS		<u>1,116,988</u>	<u>1,259,043</u>	<u>1,028,264</u>	<u>1,171,415</u>
TOTAL ASSETS LESS CURRENT LIABILITIES AND NET ASSETS		<u><u>2,625,966</u></u>	<u><u>2,801,872</u></u>	<u><u>2,537,242</u></u>	<u><u>2,712,680</u></u>
FUNDS					
Unrestricted funds					
General funds	10	370,921	432,586	370,921	432,586
Designated funds	10	813,747	781,664	813,747	781,664
Restricted funds	11	<u>1,441,298</u>	<u>1,587,622</u>	<u>1,352,574</u>	<u>1,498,430</u>
TOTAL FUNDS	12	<u><u>2,625,966</u></u>	<u><u>2,801,872</u></u>	<u><u>2,537,242</u></u>	<u><u>2,712,680</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.....

T Fahy (Trustee)



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

CLARENDON TRUST LIMITED

Consolidated Cash Flow Statement For the year ended 31 December 2016

	2016		2015	
	£	£	£	£
Reconciliation of net movement in funds to net cash flows from operating activities				
Net movement in funds	(175,906)		356,713	
Investment income	(6,291)		(3,928)	
Depreciation	105,615		93,671	
Decrease in stock	3,071		3,843	
Decrease in debtors	13,791		(38,757)	
Increase/(decrease) in creditors	2,292		(17,636)	
Net cash outflow from operating activities		(57,428)		393,906
Returns on investments and servicing of finance				
Investment income received	6,291		3,928	
Net cash inflow from returns on investments and servicing of finance		6,291		3,928
Capital expenditure				
Purchase of tangible fixed assets	(71,764)		(37,196)	
Disposal of tangible fixed assets	-		638,637	
Net cash outflow from capital expenditure		(71,764)		601,441
Increase/(decrease) in cash in the year		(122,901)		999,275
Reconciliation of net cash flow to movement in net cash funds				
Net funds at beginning of the year		1,131,746		132,471
Change in net funds during the year		(122,901)		999,275
Net funds at end of the year		<u>1,008,845</u>		<u>1,131,746</u>

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

CLARENDON TRUST LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2016

1 ACCOUNTING POLICIES

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

(a) Basis of preparation

Consolidated accounts have been prepared which consolidate the results of Clarendon Trust Limited, Friends First Trust and Oaks Trust on a line by line basis. A separate Statement of Financial Activities, or Income and Expenditure Account, has not been presented for the charitable company itself as it has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006 and paragraph 397 of the SORP 2015.

The gross income of Clarendon Trust Limited itself was £2,937,657 (2015: £3,298,827) and its net outgoing resources were £60,438 (2015: incoming: £357,600).

(b) Donations

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

(c) Jubilee Books and Music sales

Turnover from the Jubilee Books and Music shop is recognised when entitled to receipt although most income is received from cash sales recognised at time of sale.

(d) Allocation of expenditure

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

(e) Fixed assets and depreciation

Freehold property and fixtures, fittings and office equipment are capitalised at their historic cost and stated at cost less depreciation. Freehold buildings are depreciated to write down the cost less estimated residual value over their remaining useful life by equal annual instalments. No depreciation is charged on freehold land.

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

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

CLARENDON TRUST LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2016

(f) Leases

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

(g) Voluntary assistance

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

(h) Stock

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

(i) Taxation

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

No tax charge arose in the period.

(j) Pensions

The charitable company contributes to defined contribution pension schemes. The charge to the Consolidated Statement of Financial Activities for 2016 was £90,783 (2015: £87,168).

(k) Fund accounting

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

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

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

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

CLARENDON TRUST LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2016

2 VOLUNTARY INCOME

	2016	2015
	£	£
Donations and other funding	1,913,056	1,889,911
Restricted donations and grants	32,326	81,949
	<u>1,945,382</u>	<u>1,971,860</u>

3 TOTAL RESOURCES EXPENDED

	Depreciation	Staff	Other	Total	Total
	£	Costs	Costs	2016	2015
	£	£	£	£	£
Conference costs	-	5,108	596,016	601,124	531,797
Bookshop costs	291	5,108	66,504	71,903	14,510
Fundraising and publicity	-	30,648	3,540	34,188	33,693
Pastoral costs	89,577	787,699	465,325	1,342,601	1,106,253
Mission Support costs	14,184	289,122	675,006	978,312	1,146,558
Housing and Work Support	1,563	136,606	86,677	224,846	288,724
	<u>105,615</u>	<u>1,254,291</u>	<u>1,893,068</u>	<u>3,252,974</u>	<u>3,121,535</u>

The following grants were made in 2017:

- Grace City Church Ottawa: £34,800
- Mosaik Church, Berlin: £3,035
- St. Peters Church, Brighton: £2,000
- Commission Mission: £10,000
- Christ Central Churches: £10,000
- Jubilee Church, London: £10,000
- Revelation Church, London: £10,000
- Sozo Foundation, Cape Town, South Africa: £20,000
- Liberty Church, Amsterdam: £10,000
- New Ground Churches: £10,000
- St. Barnabas Trust: £2,000
- City Hope Church, Bermondsey: £5,000

CLARENDON TRUST LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2016

4 TRUSTEES

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

	Salary		Pension	
J P Foreman	£44,431	(2015 – £43,991)	£3,110	(2015 – £3,079)
S J Horne	£46,424	(2015 – £45,964)	£4,642	(2015 – £3,447)
N Jones	£46,424	(2015 – £45,964)	£5,571	(2015 – £5,516)

All Pension contributions were paid under a defined contribution scheme.

In addition, remuneration was paid to three related parties amounting to £47,621 (2015: £50,070) as permitted by the constitution.

The related parties are:

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

There were no reimbursed expenses paid to trustees (2015: nil).

Total aggregate value of unconditional donations by trustees was £26,203 (2015: £58,277).

5 STAFF COSTS

Group	2016 £	2015 £
Gross salaries	1,062,629	1,040,141
Social security costs	100,879	99,269
Pension costs	90,783	87,168
	<u>1,254,291</u>	<u>1,226,578</u>

Total paid to key management personnel was £289,215 (2015: £285,177).

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

	2016 Number	2015 Number
Pastoral and Mission Support	21	19
Café and Bookshop	1	1
Housing and Work Support	5	6
Support and administration	12	12
	<u>39</u>	<u>38</u>

No employees had emoluments in excess of £60,000: nil (2015: nil).

CLARENDON TRUST LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2016

6 TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures, fittings and office equipment £	Total £
COST			
Parent Company			
At 1 January 2016	2,617,637	970,256	3,587,893
Additions	-	71,764	71,764
At 31 December 2016	<u>2,617,637</u>	<u>1,042,020</u>	<u>3,659,657</u>
Subsidiary at 1 January 2016	-	36,953	36,953
Additions	-	-	-
Subsidiary at 31 December 2016	-	-	-
Group at 31 December 2016	<u>2,617,637</u>	<u>1,078,973</u>	<u>3,696,610</u>
ACCUMULATED DEPRECIATION			
Parent Company			
At 1 January 2016	1,266,705	779,922	2,046,627
Charge for the year	42,207	61,845	104,052
Disposals	-	-	-
At 31 December 2016	<u>1,308,912</u>	<u>841,767</u>	<u>2,150,679</u>
Subsidiary			
At 1 January 2016	-	35,390	35,390
Charge for the year	-	1,563	1,563
At 31 December 2016	-	<u>36,953</u>	<u>36,953</u>
Group at 31 December 2016	<u>1,308,912</u>	<u>878,720</u>	<u>2,187,632</u>
NET BOOK VALUES			
Parent Company at 31 December 2016	<u>1,308,725</u>	<u>200,253</u>	<u>1,508,978</u>
Subsidiary at 31 December 2016	-	-	-
Group at 31 December 2016	<u>1,308,725</u>	<u>200,253</u>	<u>1,508,978</u>
At 31 December 2015	<u>1,350,932</u>	<u>191,897</u>	<u>1,542,829</u>

CLARENDON TRUST LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2016

7 STOCK

Group and parent company	2016 £	2015 £
Goods for resale	3,526	6,597

8 DEBTORS

	2016 Group £	2015 Group £	2016 Charity £	2015 Charity £
DUE WITHIN ONE YEAR				
Other debtors	10,145	10,030	10,145	10,030
Prepayments and accrued income	183,500	197,406	179,206	190,540
	<u>193,645</u>	<u>207,436</u>	<u>189,351</u>	<u>200,570</u>

9 CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 Group £	2015 Group £	2016 Charity £	2015 Charity £
Taxation and social security	5,581	-	5,581	-
Accruals and deferred income	83,447	86,736	77,969	75,874
	<u>89,028</u>	<u>86,736</u>	<u>83,550</u>	<u>75,874</u>

CLARENDON TRUST LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2016

10 UNRESTRICTED FUNDS

Group and Charity	Balance at	Movement in resources			Balance at
	1 January 2016	Incoming	Outgoing	Transfers	31 December 2016
	£	£	£	£	£
Designated fund					
Gift Day fund	109,915	460,586	(9,163)	(407,593)	153,745
Berlin fund	5,697	20,570	(77,214)	60,000	9,053
Maintenance fund	70,480	-	(36,450)	8,000	42,030
Urban Impact Fund	131,521	-	(9,424)	6,500	128,596
CCK Youth Fund	-	-	-	2,595	2,595
Technical fund	-	-	-	4,800	4,800
Intern fund	11,738	-	(19,255)	14,525	7,008
Alternatives fund	12,000	-	-	(12,000)	-
Contingency fund	374,633	-	(33,840)	7,153	347,946
Pastoral needs fund	4,917	200	(4,324)	11,000	11,792
Conferences	3,112	90	(7,261)	8,288	4,229
Amsterdam fund	782	-	(15,634)	18,175	3,323
Newday offering fund	652	111,279	(81,430)	(5,501)	25,000
Krakow fund	-	-	-	2,450	2,450
New England site fund	17,958	-	(24,790)	21,460	14,629
Shoreham site fund	2,649	-	(11,557)	19,241	10,334
East site fund	27,506	2,000	(9,217)	3,888	24,177
Hove site fund	8,102	725	(17,328)	30,540	22,039
General fund	432,586	2,326,744	(2,495,218)	106,809	370,921
	<u>1,214,250</u>	<u>2,922,194</u>	<u>(2,852,105)</u>	<u>(99,671)</u>	<u>1,184,668</u>

Group and Charity	Balance at	Movement in resources			Balance at
	1 January 2015	Incoming	Outgoing	Transfers	31 December 2015
	£	£	£	£	£
Designated fund					
Gift Day fund	71,773	455,658	(1,000)	(416,516)	109,915
Berlin fund	15,791	5,000	(20,094)	5,000	5,697
Maintenance fund	-	-	(109,070)	179,550	70,480
Urban Impact Fund	12,511	-	(7,646)	126,656	131,521
Technical fund	7,500	-	(7,500)	-	-
Intern fund	3,247	-	(11,609)	20,100	11,738
Alternatives fund	12,000	-	-	-	12,000
Contingency fund	22,480	4,514	(12,250)	359,889	374,633
Pastoral needs fund	7,637	-	(2,720)	-	4,917
Conferences	3,112	-	-	-	3,112
Amsterdam fund	1,895	8,700	(9,813)	-	782
Newday offering fund	-	91,123	(75,017)	(15,455)	652
New England site fund	-	-	(6,845)	24,803	17,958
Shoreham site fund	-	-	(31,251)	33,902	2,649
East site fund	-	-	(243)	27,749	27,506
Hove site fund	-	2,900	(26,239)	31,441	8,102
General fund	691,124	2,663,927	(2,416,756)	(505,708)	432,586
	<u>849,071</u>	<u>3,231,823</u>	<u>(2,738,054)</u>	<u>(128,589)</u>	<u>1,214,250</u>

CLARENDON TRUST LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2016

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

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

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

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

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

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

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

The **Alternatives fund** represents CCK's contribution to the pregnancy advisory service within the Oaks Trust. In 2016 £12k was transferred to the subsidiary.

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

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

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

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

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

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

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

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

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

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

CLARENDON TRUST LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2016

11 RESTRICTED FUNDS

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

Group	Balance at	Movement in resources			Balance at
	1 January 2015 £	Incoming £	Outgoing £	Transfers £	31 December 2015 £
Building fund	1,397,492	-	(43,412)	-	1,354,080
FF Support Fund	103,841	-	(4,410)	(49,001)	50,429
Oasis En Gedi	180	778	-	-	958
Charities Concert	2,088	-	-	-	2,088
BSL Course	253	240	-	-	493
Embracing the Poor	2,156	5,000	(1,300)	-	5,856
Ottawa fund	-	10,986	(18,460)	42,000	34,526
Newday fund	-	50,000	-	-	50,000
Charity sub total	1,506,010	67,004	(67,582)	(7,001)	1,498,430
Oaks Trust	24,340	14,945	(27,175)	12,580	24,691
Friends First	65,738	164,477	(288,724)	123,010	64,501
	1,596,088	246,425	(383,481)	128,589	1,587,622

CLARENDON TRUST LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2016

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

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

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

The **Charities Concert Fund** represents income and expenditure related to a charitable concert organised by CCK on Good Friday that was funded through monies raised at Gift Days.

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

The **Embracing the Poor Fund** represents contributions and donations relating to CCK's work with the poor.

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

The **Newday fund** represented a contribution from Newfrontiers for future funding requirements by the Newday event.

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

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

CLARENDON TRUST LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2016

12 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Group	Tangible fixed assets £	Net current assets £	Long term liabilities £	Total £
Restricted funds				
Building fund	1,308,725	-	-	1,308,725
FF Support Fund	-	17,429	-	17,429
Oasis En Gedi	-	345	-	345
Charity Concert	-	-	-	-
BSL Course	-	1,303	-	1,303
Embracing the Poor fund	-	-	-	-
Ottawa fund	-	24,772	-	24,772
Newday fund	-	-	-	-
Charity sub total	1,308,725	43,850	-	1,352,574
Subsidiaries				
Oaks Trust	-	23,521	-	23,521
Friends First	-	65,202	-	65,202
Unrestricted funds				
General funds	200,253	170,668	-	370,921
Designated funds	-	813,747	-	813,747
	1,508,978	1,116,988	-	2,625,966

13 COMMITMENT

At 31 December 2016, the group was committed to making the following payment under a non-cancellable operating lease in the year to 31 December 2016:

	2016 £	2015 £
Total future minimum lease commitment	£35,879	£44,770

CLARENDON TRUST LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2016

14 SUBSIDIARIES

During 2003, the activities of the Housing and Work Support were taken over by Friends First, a subsidiary under the control of Clarendon Trust Limited. The net surplus funds of this subsidiary at 31 December 2016 were £65,502 (2015: £64,501). During the year ended 31 December 2016, Friends First generated incoming resources of £122,548, received £103,000 in transfers from Clarendon Trust and expended resources of £224,846.

During 2014, the activity of Alternatives was transferred to Oaks Trust, a subsidiary under the control of Clarendon Trust Limited. The net surplus funds of this subsidiary at 31 December 2016 were £23,521 (2015: £24,691). During the year ended 31 December 2016, Oaks Trust generated incoming resources of £16,862, received £12,000 in transfers from Clarendon Trust and expended resources of £30,032.

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.