

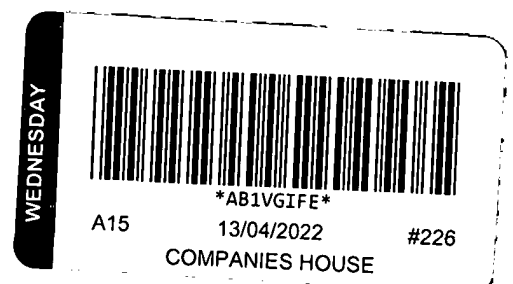
Company number 3546759

Charity number 1069942

Clarendon Trust Limited

Report and Financial Statements

Period ended 31 August 2021



CLARENDON TRUST LIMITED

Financial Statements - 31 August 2021

CONTENTS

	Page
Trustees' Report	1-7
Independent Auditors' Report	8-10
Consolidated Statement of Financial Activities	11
Balance Sheet	12
Consolidated Cash Flow Statement	13
Notes to the Financial Statements	14 -26

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 period, (unless otherwise shown), and at the date the report is signed were:

S Horne
P Jarvis
N Jones
H Evans (resigned on 20th July 2021)
J Foreman
K Stevens
M Sibanda
K Ball

Company Secretary A Waller

The senior staff of the charity throughout the period were: S Boon
S Horne
N Jones
J Virgo
S Dawson

The company's advisors are:

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

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

CLARENDON TRUST LIMITED

Trustees' Report – continued

The trustees present their report and the financial statements for the period ended 31 August 2021. The financial statements have been prepared in accordance with the accounting policies set out on pages 14 to 16 and comply with current statutory requirements the Financial Reporting Standard applicable in the U.K. and Republic of Ireland (FRS102) (effective from 1 January 2019), the Memorandum and Articles of Association, and the Statement of Recommended Practice: Accounting and Reporting by Charities 2019.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The company was incorporated on 16 April 1998 and was registered as a charity on 5 June 1998. It is governed by its Memorandum and Articles of Association. The company is limited by guarantee and has no share capital. The liability of the members is £10 each in the event of the company being wound up. The charity is also known as Emmanuel.

Potential new trustees are recommended by the Elders of the church and are appointed by the members, if considered suitable following interview by the existing trustees. The induction process for trustees involves supplying them with copies of the Memorandum & Articles of Association, recent Accounts and Minutes of Trustees' Meetings. They are also shown the work of Clarendon Trust Limited and meet with the senior staff. Opportunities for training are also made available through our lawyers and auditors. Trustees meet regularly through the period 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 periods. Clarendon Trust and its subsidiaries Friends First Trust and Oaks Trust have a set of comprehensive policies and rules in place to ensure ongoing identification, management and documentation of foreseeable risks.

Financial Sustainability is monitored through the Finance Department, Trustee meetings and sub-committees. Regular management accounts give an up-to-date picture of Clarendon Trust's financial position each month and cash flow forecasts monitors the organisation's liquidity. Attention has also been focussed on non-financial risks arising from fire, health and safety, and food hygiene. Members of staff undergo relevant training on a regular basis. A comprehensive insurance policy exists to ensure that all insurable risks are covered. DBS checks are in place to safeguard young people and minimise the risk of inappropriate persons being involved in pastoral and youth work.

OBJECTIVES AND ACTIVITIES

The trustees have had regard to the Charity Commission guidance on public benefit, and paid due regard to it in deciding what activities the charity should undertake. The trustees are satisfied that the ongoing activities which they are involved in means that the charity is continuing to meet the public benefit requirement. The main objectives of the charity are to advance the Christian faith, to provide assistance for aged persons and those in conditions of need, hardship or distress, and to make gifts, donations or loans to any charitable religious institution. These objectives have not changed during the period. Clarendon Trust aims to encourage, equip and care for members of the church in Brighton and Hove as well as to work with individuals and organisations in the United Kingdom and internationally who share the charity's vision and values.

CLARENDON TRUST LIMITED

Trustees' Report – continued

The key elements of the charity's strategy are:

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

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

ACHIEVEMENTS AND PERFORMANCE FOR PUBLIC BENEFIT

The trustees confirm that they have referred to the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities. Emmanuel Church was founded over 40 periods ago. In this time, we have sought to serve the local City, the UK and internationally. This report reflects aspects of each of these 3 components.

1. Sunday services and Multisite

In 2011 Emmanuel embarked on a multi-site model to allow for growth across the Brighton and Hove conurbation. The church at the beginning of 2020 was meeting in four locations in Brighton, Shoreham, Hove and Hangleton running services on every Sunday across the city. In March 2020 all church services were stopped in response to the global pandemic, and an online provision was created in its place. Through the 2020 Autumn Term and 2021 Spring Term Emmanuel responded to the fluctuating government restrictions by creating a hybrid of online and in-person Sunday services in the buildings that we own. That meant the Shoreham Site was unable to open on a Sunday but started to hold prayer meetings in the Shoreham Baptist Church. As expected, attendance was much lower than pre-pandemic as was the number of volunteers. This has meant a reduction in provision of ministries and the decision was made to hold off kids work until after Summer 2021.

2. Training, courses and membership care

During 2021 in response to government restrictions, training has largely moved online. Emmanuel had groups for key leaders and future potential leaders going through monthly training materials. Small groups have been a mixture of online and in-person gatherings, providing a key point of contact in a very isolating season, and helping people engage with spiritual content. The Alpha Course has continued online and saw many hear the gospel and make a commitment. Our youth work continued to flourish with the regular provision of online weekly and monthly events as well as opening in-person gatherings and having a weekend away at the beginning of August. Pastoral care has continued to progress at each site, with a standardised structure being rolled out, making the most of the lessons learnt during the pandemic months.

3. Church planting

Emmanuel is continuing to actively partner with a number of churches and church plants in the UK, Continental Europe and Canada. This involves cities such as London, Bath, Belfast, Berlin, Amsterdam, Krakow and Ottawa. In 2021 we continued to financially support, by means of grants, the church plants in Belfast, Krakow and Bath. Emmanuel is linked with these churches and church plants and supports them through regular visits and training as well as building strong relationships with the congregations.

CLARENDON TRUST LIMITED

Trustees' Report – continued

4. Newday

In our seventh period with oversight of Newday, due to the effects and restrictions of the global pandemic the Newday team organised and ran an online event in the summer with worship and teaching sessions. The team is planning to run a live event as per pre-pandemic experience in the summer of 2022. Budget and plans move forward. Conversations and emphasis on the future of Newday becoming an independent charity continue.

5. Social Action

This continued to be an important area for us during 2021. The Social Engagement ministries, under the freshly branded 'Care for Our City' umbrella, included the following:

Oaks Trust

This subsidiary charity started activity during 2014 and seeks to help those who are poor and disadvantaged for a variety of reasons. The charity has historically overseen the activities of the Shoreham Foodbank, but now additionally has governance for a further two food banks (Clarendon Centre & Villas) which were established in this period. Two other projects, Baby Basics Shoreham and Baby Basics Brighton have also started operating and are additionally covered by the Trust.

In response to the COVID-19 crisis the food banks have seen a much greater demand for their services and they have grown and developed volunteer teams significantly through a range of training opportunities to provide a better service to those in need. In the midst of the current crisis, the food banks have received significantly more donations from the public. They continued to develop healthy relationships with the local COVID-19 Mutual Aid groups, local councils and other agencies. The food banks expanded and adapted their operations to comply with social distancing rules, compliant with government guidelines.

Friends First Trust

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

From November 2019, Friends First have actively been involved in the leading and running of the Brighton Churches Night Shelter. In March 2020, all guests on the Night Shelter were moved to a location in Portslade called the Circle. This project ran till March 2021 with two members of the team collectively giving 486 hours to the project from March 2020 - March 2021. The Friends First team developed a day-time programme including a mentoring facility. Friends First were also involved with Keys Detox - a detox programme to help people escape from alcohol and drug addiction through integrated medical, spiritual and community support. In light of COVID-19, much support was moved online.

CLARENDON TRUST LIMITED

Trustees' Report – continued

FINANCIAL REVIEW

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

The Consolidated Statement of Financial Activities on page 11 shows total net outgoing resources of £48,266 (2020: £300,131 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 period was satisfactory. There was a balance of £1,423,010 (2020: £1,440,087) on the unrestricted funds at the period 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 all subsidiaries - Friends First Trust, Oaks Trust and Clarendon Enterprise Trading – 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 period end its financial position was satisfactory and the trustees are satisfied that it is appropriate to prepare the accounts on a going concern basis.

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

RESERVES POLICY

Clarendon Trust's reserves policy is to maintain a sufficient level of reserves to enable operating activities to be maintained, taking account of potential risks and contingencies that may arise from time to time. The level of reserves is monitored throughout the period and the policy is reviewed annually by the trustees. The trustees consider that the charity currently needs to maintain free reserves of three months unrestricted expenditure. At 31 August 2021, free reserves were £390,881.

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

CLARENDON TRUST LIMITED

Trustees' Report – continued

PLANS FOR FUTURE PERIODS

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

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

The most significant external risk faced by the charity continues to be the risk of the Coronavirus Outbreak impacting the health of the staff team and the charity's ability to fulfil its charitable objectives. The pandemic has required significant changes to our working arrangements with a much greater reliance on the live streaming of our activities. Much effort has gone into our online Sunday service and kids work provision whilst also more recently in-person gatherings for those that are able. Home-working and the use of technology continues to enable much of our work, small group life and pastoral support to continue. Core funding from our members has remained and is expected to remain constant as past experience tells us that the church members respond very positively when others are in need. We make continued adjustments to our outgoings by working to a budget that allows us to meet the objectives of the charity and to break even whilst also ensuring our free-cash reserves continue to be in a position of strength.

TRUSTEES RESPONSIBILITIES

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

Company law requires the trustees to prepare financial statements for each financial period and not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group for that period.

CLARENDON TRUST LIMITED

Trustees' Report – continued

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

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

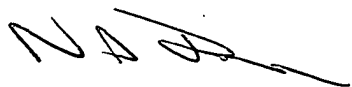
STATEMENT OF DISCLOSURE TO AUDITOR

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

AUDITORS

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

Approved by the trustees on 5th April 2022 and signed on their behalf by



Neville Jones (Chair of trustees)

21-23 Clarendon Villas, Hove
BN3 3RE

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

Opinion

We have audited the financial statements of Clarendon Trust (the 'charitable company') (the 'parent company') and its subsidiaries ('the group') for the period ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 August 2021 and of the group's and of the parent company's incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company, and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustee's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 7, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the group's and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

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

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

Use of our report

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



John Thacker FCA DChA (Senior Statutory Auditor)
for and on behalf of Chariot House Limited
Chartered Accountants
44 Grand Parade
Brighton
East Sussex
BN2 9QA

Date: 5th April 2022

CLARENDON TRUST LIMITED

Consolidated Statement of Financial Activities (including income and expenditure account) for the period ended 31 August 2021

	Notes	Unrestricted funds	Restricted funds	Total funds 2021	Total funds 2020
		£	£	£	£
INCOME FROM					
Donations and legacies	2	1,271,390	35,126	1,306,516	2,246,554
Charitable Activities					
Housing and Work Support		-	28,833	28,833	36,360
Conferences and other events		1,836	-	1,836	54,038
Trading activities		-	-	-	1,645
Investments		148	-	148	626
Other		3,549	-	3,549	72,452
Trading Subsidiary		17,057	-	17,057	195,683
Total income		<u>1,293,980</u>	<u>63,959</u>	<u>1,357,939</u>	<u>2,607,358</u>
EXPENDITURE ON					
Raising Funds		7,862	-	7,862	12,294
Trading Subsidiary		8,037	-	8,037	224,140
Charitable activities					
Conference costs		24,289	-	24,289	72,787
Café and Bookshop costs		-	-	-	6,119
Pastoral costs		826,758	79,245	906,003	1,194,826
Mission support costs		377,321	-	377,321	677,867
Housing and Work Support		-	82,693	82,693	119,193
Total expenditure	3	<u>1,244,267</u>	<u>161,938</u>	<u>1,406,205</u>	<u>2,307,227</u>
Net income (expenditure)		49,713	(97,979)	(48,266)	300,131
Transfers between funds	10/ 11	(66,790)	66,790	-	-
Net movement in funds		(17,077)	(31,189)	(48,266)	300,131
Fund balances brought forward at 1 January 2020		<u>1,440,087</u>	<u>1,249,075</u>	<u>2,689,162</u>	<u>2,389,031</u>
Fund balances carried forward at 31 August 2021	12	<u><u>1,423,010</u></u>	<u><u>1,217,886</u></u>	<u><u>2,640,896</u></u>	<u><u>2,689,162</u></u>

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

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

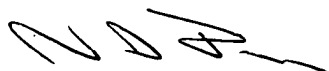
CLARENDON TRUST LIMITED

Balance Sheets at 31 August 2021

	Notes	2021 Group £	2020 Group £	2021 Charity £	2020 Charity £
FIXED ASSETS					
Tangible assets	6	1,709,139	1,815,705	1,709,139	1,815,705
CURRENT ASSETS					
Stock	7	-	-	-	-
Debtors	8	118,631	104,188	168,592	145,874
Cash at bank and in hand		1,011,390	928,562	856,710	827,401
		<u>1,130,021</u>	<u>1,032,750</u>	<u>1,025,301</u>	<u>973,275</u>
CREDITORS - AMOUNTS FALLING DUE WITHIN ONE PERIOD	9	<u>(198,264)</u>	<u>(159,293)</u>	<u>(147,575)</u>	<u>(128,768)</u>
NET CURRENT ASSETS		<u>931,757</u>	<u>873,457</u>	<u>877,726</u>	<u>844,507</u>
TOTAL ASSETS LESS CURRENT LIABILITIES AND NET ASSETS		<u><u>2,640,896</u></u>	<u><u>2,689,162</u></u>	<u><u>2,586,865</u></u>	<u><u>2,660,212</u></u>
FUNDS					
Unrestricted funds					
General funds	10	527,131	395,334	588,145	465,368
Designated funds	10	895,879	1,044,753	895,879	1,044,753
Restricted funds	11	<u>1,217,886</u>	<u>1,249,075</u>	<u>1,102,841</u>	<u>1,150,091</u>
TOTAL FUNDS	12	<u><u>2,640,896</u></u>	<u><u>2,689,162</u></u>	<u><u>2,586,865</u></u>	<u><u>2,660,212</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 5th April 2022



Neville Jones (Chair of trustees)

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

CLARENDON TRUST LIMITED

Consolidated Cash Flow Statement for the period ended 31 August 2021

	2021		2020	
	£	£	£	£
Reconciliation of net movement in funds to net cash flows from operating activities				
Net movement in funds	(48,266)		300,131	
Investment income	(148)		(626)	
Depreciation	106,566		117,724	
Decrease in stock	-		2,526	
(Increase)/Decrease in debtors	(14,443)		9,423	
Increase/(decrease) in creditors	38,972		94,815	
Net cash inflow (outflow) from operating activities		82,680		523,993
Returns on investments and servicing of finance				
Investment income received	148		626	
Net cash inflow from returns on investments and servicing of finance		148		626
Capital expenditure				
Purchase of tangible fixed assets	-		(495,000)	
Disposal of tangible fixed assets	-		-	
Net cash outflow from capital expenditure		-		(495,000)
Increase/(decrease) in cash in the period		82,828		29,619
Reconciliation of net cash flow to movement in net cash funds				
Net funds at beginning of the period		928,562		898,943
Change in net funds during the period		82,828		29,619
Net funds at end of the period		1,011,390		928,562

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

1 ACCOUNTING POLICIES

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

(a) Basis of preparation

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

The gross income of Clarendon Trust Limited itself was £1,256,950 (2020: £2,297,290) and its net outgoing resources were £18,079 (2020: incoming £348,145).

(b) Going concern

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

(c) Incoming resources

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

(d) Donations

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

(e) Bookshop

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

CLARENDON TRUST LIMITED

Notes to the Financial Statements for the period ended 31 August 2021

(f) Resources expended

Expenditure is allocated between cost of generating funds, charitable expenditure, support costs and the cost of management and administration of the charitable company on an accruals basis. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties; it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Overhead and Support costs have been allocated to charitable activities. Staff costs are apportioned on the basis of actual time spent.

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

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

(g) Fixed assets and depreciation

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

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

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

(h) Financial instruments

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

(i) Cash at bank and in hand

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

(j) 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.

Notes to the Financial Statements for the period ended 31 August 2021

(k) Leases

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

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

(l) Stock

Stock is stated at the lower of cost and net realisable value. Cost is calculated using the first-in-first-out method and consists of the direct cost of books, compact discs and tapes. Net realisable value is calculated on the basis of estimated selling price less all expected costs to be incurred in selling.

(m) Taxation

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

No tax charge arose in the period.

(n) Pensions

The charitable company contributes to defined contribution pension schemes. The charge to the Consolidated Statement of Financial Activities for 2021 was £56,218 (2020: £94,004).

(o) Fund accounting

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

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

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

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

CLARENDON TRUST LIMITED

Notes to the Financial Statements for the period ended 31 August 2021

2 VOLUNTARY INCOME

	2021	2020
	£	£
Donations and other funding	1,271,390	2,167,544
Restricted donations and grants	35,126	79,010
	<u>1,306,516</u>	<u>2,246,554</u>

3 TOTAL RESOURCES EXPENDED

	Depreciation	Staff Costs	Other Costs	Total 2021	Total 2020
	£	£	£	£	£
Conference costs	-	13,520	10,769	24,289	72,787
Café and Bookshop costs	-	-	-	-	6,119
Fundraising and publicity	-	6,760	1,102	7,862	12,294
Pastoral costs	92,951	473,210	339,841	906,003	1,194,826
Mission Support costs	13,615	209,255	154,452	377,321	677,869
Housing and Work Support	-	35,768	46,925	82,693	119,193
Trading Subsidiary Expenditure	-	4,399	3,638	8,037	224,140
	<u>106,566</u>	<u>742,912</u>	<u>556,726</u>	<u>1,406,205</u>	<u>2,307,227</u>

The amounts paid to auditors comprised:

	2021	2020
	£	£
Audit fees	11,295	10,230
Other services	3,071	4,001
	<u>14,366</u>	<u>14,231</u>

The following grants were made in 2021:

- Janusz Lasz (Krakow Church plant): £16,000
- Gospel Collective Church Bath: £20,000

CLARENDON TRUST LIMITED

Notes to the Financial Statements for the period ended 31 August 2021

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 period:

	Salary		Pension	
K Ball	£4,611	(2020 – £6,667)	£323	(2020 – £467)
S J Horne	£32,190	(2020 – £49,721)	£3,863	(2020 – £5,338)
N Jones	£32,190	(2020 – £49,721)	£4,829	(2020 – £7,391)

All Pension contributions were paid under a defined contribution scheme.

In addition, remuneration was paid to one related party amounting to £3,277 (2020: 10,319) as permitted by the constitution.

The related parties are:

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

There were no reimbursed expenses paid to trustees (2020: nil).

5 STAFF COSTS

Group	2021 £	2020 £
Gross salaries	625,487	1,159,036
Social security costs	61,208	105,237
Pension costs	56,218	94,004
	<u>742,912</u>	<u>1,358,277</u>

Total paid to key management personnel was £195,677 (2020: £299,187).

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

	2021 Number	2020 Number
Pastoral and Mission Support	19	19
Buildings/Lettings	3	9
Housing and Work Support	2	2
Support and administration	6	6
	<u>30</u>	<u>36</u>

No employees had emoluments in excess of £60,000: nil (2020: nil).

CLARENDON TRUST LIMITED

Notes to the Financial Statements for the period ended 31 August 2021

6 TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures, fittings and office equipment £	Total £
COST			
Parent Company			
At 1 January 2021	3,112,637	1,316,252	4,428,889
Additions	-	-	-
At 31 August 2021	<u>3,112,637</u>	<u>1,316,252</u>	<u>4,428,889</u>
Subsidiary at 1 January 2021	-	-	-
Additions	-	-	-
Subsidiary at 31 August 2021	-	-	-
Group at 31 August 2021	<u>3,112,637</u>	<u>1,316,252</u>	<u>4,428,889</u>
ACCUMULATED DEPRECIATION			
Parent Company			
At 1 January 2021	1,487,640	1,125,544	2,613,184
Charge for the period	52,107	54,459	106,566
Disposals	-	-	-
At 31 August 2021	<u>1,539,747</u>	<u>1,180,003</u>	<u>2,719,750</u>
Subsidiary			
At 1 January 2021	-	-	-
Charge for the period	-	-	-
At 31 August 2021	-	-	-
Group at 31 August 2021	<u>1,539,747</u>	<u>1,180,003</u>	<u>2,719,750</u>
NET BOOK VALUES			
Parent Company at 31 August 2021	<u>1,572,890</u>	<u>136,249</u>	<u>1,709,139</u>
Subsidiary at 31 August 2021	-	-	-
Group at 31 August 2021	<u>1,572,890</u>	<u>136,249</u>	<u>1,709,139</u>
At 31 December 2020	<u>1,624,997</u>	<u>190,708</u>	<u>1,815,705</u>

CLARENDON TRUST LIMITED

Notes to the Financial Statements for the period ended 31 August 2021

7 STOCK

Group and parent company	2021 £	2020 £
Goods for resale	-	-

8 DEBTORS

	2021 Group £	2020 Group £	2021 Charity £	2020 Charity £
DUE WITHIN ONE PERIOD				
Other debtors	36,939	29,664	87,369	76,486
Prepayments and accrued income	81,692	74,524	81,222	69,389
	<u>118,631</u>	<u>104,188</u>	<u>168,592</u>	<u>145,874</u>

9 CREDITORS - AMOUNTS FALLING DUE WITHIN ONE PERIOD

	2021 Group £	2020 Group £	2021 Charity £	2020 Charity £
Taxation and social security	(1,634)	(1,856)	(5,985)	(4,065)
Accruals and deferred income	199,899	161,149	153,560	132,883
	<u>198,264</u>	<u>159,293</u>	<u>147,575</u>	<u>128,768</u>

CLARENDON TRUST LIMITED

Notes to the Financial Statements for the period ended 31 August 2021

10 UNRESTRICTED FUNDS

Group and Charity	Balance at	Movement in resources			Balance at
	1 January 2021	Incoming	Outgoing	Transfers	31 August 2021
	£	£	£	£	£
Designated fund					
Gift Day fund	127,559	182,667	(971)	(309,254)	-
Maintenance fund	4,413	-	-	-	4,413
Berlin fund	228	-	(228)	-	-
Urban Impact fund	27,427	965	(9,693)	36,900	55,599
Friends First Fund	-	-	-	29,000	29,000
Emmanuel Youth fund	1,542	11,500	(1,542)	-	11,500
Intern fund	14,410	3,971	(3,601)	-	14,780
Covid Care Fund	47,131	-	(500)	(46,631)	-
Alternatives fund	1,394	-	(238)	-	1,156
Contingency fund	193,909	4,493	(166,489)	23,500	55,414
Pastoral Needs fund	529	1,000	(3,443)	10,631	8,718
Newday Offering fund	76,159	25	-	(33,820)	42,364
Krakow fund	16,872	700	(16,275)	40,000	41,297
Belfast fund	18,404	10,738	(30,424)	40,000	38,717
Bath fund	16,338	-	(20,019)	40,000	36,319
Sphere Contingency & Opportunities	-	-	-	69,064	69,064
Shoreham Site fund	4,137	-	(1,000)	-	3,137
East Site fund	9,201	-	-	-	9,201
Oasis Building fund	485,100	-	(9,900)	-	475,200
General fund	395,334	1,077,920	(979,943)	33,820	527,131
	<u>1,440,088</u>	<u>1,293,979</u>	<u>(1,244,266)</u>	<u>(66,790)</u>	<u>1,423,010</u>

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

CLARENDON TRUST LIMITED

Notes to the Financial Statements for the period ended 31 August 2021

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

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

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

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

The **Friends First fund** represents funds set aside for the ongoing support of the work of the Friends First subsidiary

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

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

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

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

The **Contingency fund** was set aside from the surpluses of Gift Day funds to meet the costs of any items that fit into the aims of gift days but which arose on a more ad hoc basis.

The **Pastoral Needs fund** was established to assist people in financial difficulty.

The **Newday Offering fund** represents donations taken up at the annual Newday youth event and are designated for the furtherance of the mission of the event.

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

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

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

The **Sphere Contingency & Opportunities fund** represents donations for supporting future opportunities for church planting and other projects related to Emmanuel's growing partnership with other churches.

The **Shoreham Site fund** represents donations for projects relating to the site.

The **East Site fund** represents donations for projects relating to the site.

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

CLARENDON TRUST LIMITED

Notes to the Financial Statements for the period ended 31 August 2021

11 RESTRICTED FUNDS

Group	Balance at 1 January 2021 £	Movement in resources			Balance at 31 August 2021 £
		Incoming £	Outgoing £	Transfers £	
Building fund	1,139,897	-	(42,207)	-	1,097,690
BSL course	13	-	(13)	-	-
Ottawa fund	10,181	569	(5,599)	-	5,151
Charity sub total	1,150,091	569	(47,819)	-	1,102,841
Oaks Trust	70,217	34,557	(31,426)	4,790	78,138
Friends First	28,767	28,833	(82,693)	62,000	36,907
	1,249,075	63,959	(161,938)	66,790	1,217,886

Group	Balance at 1 January 2020 £	Movement in resources			Balance at 31 December 2020 £
		Incoming £	Outgoing £	Transfers £	
Building fund	1,182,104	-	(42,207)	-	1,139,897
BSL course	373	-	(360)	-	13
Ottawa fund	16,010	985	(6,813)	-	10,181
Charity sub total	1,198,486	985	(49,380)	-	1,150,091
Oaks Trust	7,202	78,025	(14,750)	(260)	70,217
Friends First	26,464	36,360	(119,193)	85,135	28,767
	1,232,153	115,370	(183,323)	84,875	1,249,075

CLARENDON TRUST LIMITED

Notes to the Financial Statements for the period ended 31 August 2021

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

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

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

Oaks Trust is a subsidiary charity focusing on social engagement which currently covers the activities of the Shoreham, Hove and Clarendon Centre Foodbanks.

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 period ended 31 August 2021

12 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Group	Tangible fixed assets £	Net current assets £	Long term liabilities £	Total £
Restricted funds				
Building fund	1,097,690	-	-	1,097,690
Ottawa fund	-	5,151	-	5,151
	<u>1,097,690</u>	<u>5,151</u>	<u>-</u>	<u>1,102,841</u>
Charity sub total				
	<u>1,097,690</u>	<u>5,151</u>	<u>-</u>	<u>1,102,841</u>
Subsidiaries				
Oaks Trust	-	78,138	-	78,138
Friends First	-	36,907	-	36,907
	<u>-</u>	<u>115,045</u>	<u>-</u>	<u>115,045</u>
Unrestricted funds				
General funds	136,249	390,881	-	527,131
Designated funds	475,200	420,679	-	895,879
	<u>611,449</u>	<u>811,560</u>	<u>-</u>	<u>1,423,009</u>
	<u>1,709,139</u>	<u>931,756</u>	<u>-</u>	<u>2,640,896</u>

13 COMMITMENT

At 31 August 2021, the group was committed to making the following payment under a non-cancellable operating lease in the period to 31 August 2021:

	2021 £	2020 £
Total future minimum lease commitment	<u>£1,007</u>	<u>£2,686</u>

CLARENDON TRUST LIMITED

Notes to the Financial Statements for the period ended 31 August 2021

14 SUBSIDIARIES

During 2003, the activities of the Housing and Work Support were taken over by Friends First (Company number: 4402061, Charity number: 1094827), a subsidiary under the control of Clarendon Trust Limited. The net surplus funds of this subsidiary at 31 August 2021 were £36,907 (2020: 28,767). During the period ended 31 August 2021, Friends First generated incoming resources of £28,833, received £62,000 in transfers from Clarendon Trust and expended resources of £82,693.

During 2014, the activities of the Foodbank were transferred to Oaks Trust (Company number: 8286100, Charity number: 1150372), a subsidiary under the control of Clarendon Trust Limited. The net surplus funds of this subsidiary at 31 August 2021 were £78,138 (2020: £70,217). During the period ended 31 August 2021, Oaks Trust generated incoming resources of £34,557, received £4,790 from Clarendon Trust and expended resources of £31,426.

During 2019, the lettings and café activities were transferred to Clarendon Enterprise Trading Ltd (Company number: 11973917). The net deficit of this subsidiary at 31 August 2021 was £61,015 (2020: £70,035). During the period ended 31 August 2021, Clarendon Enterprise Trading Ltd generated incoming resources of £17,057 and expended resources of £8,037.

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

15 RELATED PARTY TRANSACTIONS

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