

**Charity Registration No. 1168717**

**ST. CLEMENTS DANES CHURCH FUND  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

# ST. CLEMENTS DANES CHURCH FUND

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Air Vice-Marshal Al Gillespie - Chairman	
	Mrs D Patman	
	Mrs C Opie	
	Prof Michelle Russell	Appointed 30 June 2022
	The Venerable (Air Vice Marshal) G Legood	Appointed 31 July 2022
	Group Captain John Hetherington	Appointed 28 February 2022
<b>Principal Officers</b>	Flight Lieutenant Cameron Vear - Secretary	
	Flight Lieutenant Martin Bull - Treasurer	
<b>Charity number</b>	1168717	
<b>Registered office</b>	St. Clement Danes Church	
	The Strand	
	WC2R 1DH	
<b>Independent examiner</b>	Haines Watts High Wycombe Limited	
	Oakingham House	
	Frederick Place	
	High Wycombe	
	HP11 1JU	
<b>Bankers</b>	Holts Military Banking	
	The Royal Bank of Scotland plc	
	Lawrie House	
	Victoria Road	
	Farnborough	
	GU14 7NR	
<b>Investment Managers</b>	Investec Wealth & Management	
	2 Gresham Street	
	London	
	EC2V 7QP	

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# ST. CLEMENTS DANES CHURCH FUND

## CONTENTS

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	Page
Trustees' report	1 - 6
Independent examiner's report	7
Statement of financial activities	8 - 9
Balance sheet	10
Notes to the financial statements	11 - 20

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# **ST. CLEMENTS DANES CHURCH FUND**

## **TRUSTEES' REPORT**

### **FOR THE YEAR ENDED 31 MARCH 2022**

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The Trustees present their report and financial statements for the year ended 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Fund's charitable scheme, applicable law and the requirements of the Declaration of Trust dated 12 July 1956, the 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 issued in July 2014.

#### **History**

St Clement Danes Church was destroyed by fire in May 1941 and rebuilt, largely by public subscription, in 1958. The church was re-consecrated on 19 October 1958 as the Central Church of the Royal Air Force.

The Diocese of London delegated authority to the Air Council (now the Air Force Board) to make use of the Church, at no fee to the Air Council, subject to the agreement that 'the Air Council shall be wholly responsible for the repair and maintenance and insurance of the Church (including the curtilage thereof) and its fittings and contents and performance of services and ceremonies therein.'

#### **Legal Status**

The St Clement Danes Fund, registered charity number 250350 was superseded by CIO named St Clement Danes Church Fund ('the Fund'), registered charity number 1168717 on 1 April 2018. The charity remains governed under the terms of the following documents:

- Agreement made between the London Diocesan Fund and the Air Council dated 20 October 1958;
- The Declaration of Trust dated 12 July 1956 and the Charity Commission Scheme dated 27 May 1994 as amended 1997, 1998, 2004, 2006 and 2016.

#### **Governance**

The Fund Scheme determines that the Trustee Body consists of two ex-officio trustees and up to eight co-opted trustees. The two ex-officio trustees at the time of these annual accounts held the following positions

- Chaplain-In-Chief (RAF)
- Chairman of the Friends of St Clement Danes (temporarily gapped)

The Fund Scheme requires Trustees to meet at least twice per year with a quorum being achieved with three members. An independent investment adviser attends meetings to provide Trustees with the specialist information they require to judge past portfolio performance and to plan future investment strategy. The Trustees are also supported by the Chaplaincy Council, which provides the structure and governance for the day-to-day running of the Church.

Meetings were chaired throughout the financial year in question by the Chairman, Air Vice Marshal Al Gillespie, to discuss the strategic direction of the maintenance and improvement of the fabric and facilities of the Church including; investment performance; the management of risk; fundraising; and comprehensive updates from Church management with regards to matters of the moment. In addition, where appropriate, matters are also dealt with by Trustees ex-Committee to ensure continuity of governance.

The Trustees have constituted a Finance Committee and an Estate Committee for which they have set clear terms of reference and from which they receive regular reports on their activities.

#### **The Finance Committee**

Trustees delegate the oversight of all financial operations and for ensuring the Fund's short and long-term viability to the Finance Committee. The Finance Committee meets at least biannually to implement the financial strategy of the Fund and to oversee the management, investment and disbursement of this strategy within the constitution of the Fund.



# ST. CLEMENTS DANES CHURCH FUND

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

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#### The Estate Committee

The Church, listed Grade1 by Historic England, was rebuilt in 1682 to a design by Sir Christopher Wren with the steeple added in 1719 by James Gibb.

In order to meet the obligations set by the Diocese of London, the Trustees delegate the oversight of the repair, maintenance, improvement, health & safety and other statutory compliance of the Church including its curtilage to the Estate Committee. It achieves this by commissioning quinquennial inspections and other surveys by appropriate independent professional consultants to inform and prioritise proactive planned maintenance and repair. This process also helps identify structural or operational deficiencies allowing more focused financial budgeting. An example being the Trustees decision to obtain advice, quotations and Faculty consent for taking down and rebuilding the steeple to remedy defects in the existing construction and mitigate further damage and health & safety risks. This project, subject to funding, is ready to be implemented and will take approximately 18 months to complete.

The Trustees have future plans for improving the facilities of the Church by excavating and expanding the Crypt at the eastern end subject to the necessary approvals and funding. A workshop to develop the feasibility and brief will be held in December 2022 facilitated by the Prince's Foundation. This follows invasive internal and external investigation works carried out under Faculty with professional supervision and a watching brief by the Museum of London Archaeological Service to assess the viability of the project. The Trustees have been working closely with Westminster City Council and the Northbank Business Improvement District (BID) Project Team involved with the pedestrianisation and traffic management changes to the Aldwych/Strand area of which the Church forms part.

The Estate Committee meet at least biannually and as required where major projects are proposed.

#### Connected Charities

Nil

#### Induction and Training of Trustees

All new Trustees receive an induction pack that covers the Charity Commission's requirements (including annual reports & financial statements, minutes of meetings and strategic development/business plans). Trustees are invited to attend training courses and, as a minimum, are recommended to attend the Trustee Training Course.

The course covers the following subjects;

- What is involved in good governance in relation to Trustee responsibilities;
- The role of Trustees and their duties;
- Information needs of Trustees;
- Understanding charity finance;
- Relationship between Trustees and the Chair.

Further trustee training is provided as required, on an on-going basis.

#### Statement of Risk

The Trustees review the major risks facing the Fund as part of the annual business planning process. The Trustees continue to work to identify significant risks to the Fund and to implement procedures to both mitigate risk and to minimise potential impact should risks materialise.

Top 3 risks are:

1. Lack of available funding to complete required maintenance of the Church whilst maintaining the longer-term future of the Fund. **Mitigation** - Trustees review capital requirements and obtain external advice to ensure appropriate fundraising strategy employed as necessary. Sufficient reserves agreed and maintained within Fund to ensure core expenditure requirements continue to be achieved. Development Director appointed with a primary role of fundraising and increasing event income.

# ST. CLEMENTS DANES CHURCH FUND

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

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2. Income is inadequate for regular commitments. **Mitigation** - Scrutiny of budget by Finance Committee at least biannually to identify potential income shortfalls & adjust accordingly. Fixed agenda item for Trustees' Meeting. Review of investment performance by Finance Committee and Independent Financial Advisor annually.
3. Loss of Trustees/Trustee Board lacking in appropriate expertise. **Mitigation** - Trustee induction and ongoing training. Review of trustee rotation and succession planning. Competence framework for Committee and Board.

The Trustees are satisfied that the arrangements for managing these risks are adequate and subject to sufficiently rigorous monitoring and control.

The Fund operates systems of internal control which are designed to provide reasonable assurance against material misstatement or loss. They include:

- An annual operating budget which is approved and reviewed by the Trustees;
- Regular consideration by the Trustees of financial results against the budget and other indicators;
- Regular consideration by the Trustees of Investment Management results against benchmarks;
- Delegation of day-to-day management authority and segregation of duties.

#### Statement of Public Benefit

St Clement Danes provides a benefit to the public, the Royal Air Force personnel, families and veterans with the necessary spiritual and pastoral wellbeing to carry out the Royal Air Force contribution to the Defence of the United Kingdom and its interests.

St Clement Danes promotes military efficiency by underpinning esprit de corps and fostering the character, spirit and attitude required to face challenges and danger associated with military service. As a result, the Fund derives a benefit to the general public in helping to provide personnel who are motivated, have high morale and are willing to serve the needs of their country and that of its public, at all times.

St Clement Danes is a national Memorial of Remembrance, housing the unique handwritten Books of Remembrance which record the names of all service personnel who have paid the supreme sacrifice since the formation of The Royal Flying Corps in 1912. These books are on public display for all to view and pay their respects to the fallen.

As a premier example of a Grade 1 listed Sir Christopher Wren Church, the church is open every day except Bank Holidays, to enable the public to learn the history and heritage of Wren's architecture, London's history and the history of the Royal Air Force. The church is open to all for private prayer, contemplation and also holds regular services three times per week.

When planning the Church's activities, the Trustee Board members have considered the Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion. In shaping our objectives for the year and planning our activities, the trustees have also considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

#### Aims

The vision of the Church which is supported by the Fund is to:

'Be a living Royal Air Force memorial for both the Service and the Nation as well as a symbol of the abiding courage and spiritual fortitude of Royal Air Force personnel.'

#### Performance and Achievement

The pandemic restrictions subsided during this reporting period; the church reopened at Easter 2021, initially via a booking service, and has slowly started to be used again, holding the annual WAAF / WRAF / RAF (W) association service, an RC Mass, the annual thanksgiving service, Armistice Day, the Dutch Veterans, Remembrance Sunday, the St Clement Danes Senior School Service, Benevolent Fund Carol Concert, St Clement Danes Carol Service, Midnight Mass and LASER ATC Service. These Services were in addition to weddings and baptisms.



# ST. CLEMENTS DANES CHURCH FUND

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

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Furthermore, we recommenced regular mid-week and Sunday services and noted that the congregation started to regrow with many of the faithful returning post the pandemic, albeit gradually. Additionally, larger numbers of people used the church to sit quietly, either to pray or to just be in a holy space for a while.

It was noted that there were a significant number of people with serious mental health problems accessing the church. Whilst this is always a regular occurrence throughout winter, it was noted to have commenced earlier than normal during this year. The church's staff have been reminded of the basic training and protocols, but it is a constant cause of concern.

Success has continued to be achieved with the podcast, with an audience of over 500 a time.

January 2022 saw the Resident Chaplain, Padre David Osborn, retire after 12 years of service. We welcomed Padre Mark Perry as the new Resident Chaplain and look forward to supporting his ministry over the coming years.

#### Development Office

Despite the challenges of lockdown and church closure during this financial period, the Development Office has continued to lay the foundations for the 1941 Appeal and support for the church by increasing the electronic and mail output to supporters from the church. This has seen the new supporter database grow from a handful of supporters to over a thousand, with supporter acquisition continuing.

Final preparations are in place to launch the £10 million 1941 Appeal to restore the Steeple, open and expand the Crypt to deliver a much-needed veterans well-being and community hub and finally to restore the exterior island on which the church stands. The appeal will launch in April 2022.

We are honoured by the acceptance of the Prince of Wales, His Royal Highness Prince Charles, agreeing to become the Patron of the 1941 Appeal. We are working closely with his charity The Princes' Foundation to develop and deliver elements of the 1941 Appeal.

Additionally, the Development Office have secured the support of eight influential 1941 Appeal Ambassadors, six UK and two USA based, to help deliver the funding target required.

In December 2021, the St Clement Danes Cocktail book collection was launched, which featured in the Daily Telegraph with the first print run selling out over the Christmas period, generating significant income for the appeal.

The Development office continues to apply to grant giving organisations, specifically for Pillar One – the Steeple Restoration, but the sector remains difficult and competitive for capital restoration projects. Philanthropic and Major Donor engagement continues as a strategic priority.

#### Investment Performance

The market value of the Fund's investment portfolio at 31 March 2022 was £926,063 (2021: £866,957). There were no additional investments and no funds were drawn down during the year. The portfolio is managed on behalf of the Fund by Investec Wealth and Management.

The Fund's portfolio is monitored by the Trustees who regularly seek professional investment advice from a third party. The current investment objectives of the Fund are

- To maintain a medium to low risk balanced portfolio that sees 65% of the investment in Equities, 25% in Bonds and 10% in Property;
- To measure the performance against the following benchmarks:
  - UK Equity Funds - FTSE All-share Index.
  - Overseas Equity Funds – FTSE World Excl UK
  - Corporate Bond Funds - Merrill Lynch Sterling Non Gilts Index.
  - Property - IPD Property Fund Average (Commercial Property).
- To achieve an appropriate agreed investment income target from the portfolio

For the year to March 2022, the portfolio posted a return of 10.00% against the benchmark of 9.69% (2021: posted a return of 20.18% against the benchmark of 19.18%). Income of £26,944 was achieved (2021: £27,946); this is not against a budget or target.

# **ST. CLEMENTS DANES CHURCH FUND**

## **TRUSTEES' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 MARCH 2022**

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#### **Remuneration Policy**

Those who give their time do so voluntarily in order to develop themselves, add benefit to the Service and provide additional capacity.

#### **Financial Review**

Overall the Fund's income for the year remained broadly similar to the previous year: £264,147 in 2022 compared to £262,313 in 2021. However, there are a number of variations within this.

Legacy income was significantly reduced at £2,251 in 2022 (£50,859 in 2021). Donations increased slightly at £186,531 in 2022, compared to £171,648 in 2021. This reflects a marginally increased footfall for visitors to the Church as COVID restrictions lifted and the launch of the 1941 Appeal to fund significant capital works.

In addition to legacy and donated income, the Fund has two main constituents of its incoming resources: investment income and income received for Special Services. Investment income receipts remained broadly unchanged; £26,944 in 2022 (£27,946 in 2021). Special Services saw a significant uplift (£47,057 in 2022 compared to £802 in 2021) as activity recommenced following the closure of the Church due to COVID-19. However, activity and therefore income remained below pre-pandemic levels.

The Fund additionally receives public support through the utilisation of Ministry of Defence employees. The Fund assigns an estimated value to the support provided, which is recognised as a gift in kind as noted within notes 3 and 9 to the accounts.

Expenditure was slightly below the budget despite significant planned additional expenditure in the year to catch up on maintenance tasks following nearly a year of closure. Other costs were reduced, reflecting the slower than anticipated uplift in activity following the lifting of COVID restrictions. Information regarding the Fund's expenditure can be found within notes 7 and 8.

Total funds decreased to £1,175,422 (2021: £1,247,294) as a result of running costs expenditure significantly exceeding income, although partially offset by an increase in the value of investment assets of £59,106.

#### **Reserves**

The Trustees have set a target for the unrestricted reserve level of £100,000 to ensure short-term liquidity and adequate working capital are maintained.

#### **Investments**

The Fund maintains a neutral ethical investment policy to such an extent deemed possible by the continued investment within pooled funds.

Additionally, on 2 July 2015 the following ethical statement was introduced to the fund: The Charity has the right to exclude investing in companies whose activities act contrary to the Charity's aims and objectives. As the Charity has decided to hold pooled investments, the Trustees acknowledge that they need to be pragmatic with regard to ethical investments and therefore have no current exclusions in place. However, they reserve the right to add exclusions in future as appropriate.

The Trustees continue to work closely with the investment manager, taking into consideration their view of market prospects when they consider expenditure requirements and reviewing the investment strategy.

The investment is subject to ongoing regular review to ensure it continues to adequately represent the current and future needs of the Fund.



# ST. CLEMENTS DANES CHURCH FUND

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

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### Plans for future periods

The 1941 Appeal will remain the main focus of the plans for the foreseeable future, with the restoration of the Steeple the priority. Meetings with Historic England to assess the Steeple to consider if it needs to be included in the "At Risk Register" will be held in early 2023.

Staffing and volunteers will be considered as a priority in the next period to enable an increase in concerts and events to increase revenues.

The development Office will continue to apply to grant making foundations and seek to engage with philanthropists and donors, particularly during 2023 the 300th anniversary of Wrens death.

### Statement of Trustees' Responsibilities

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the Fund and of the incoming resources and application of resources of the Fund for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently; and
- Comply with applicable accounting standards, including FRS 102, subject to any material departures disclosed and explained in the financial statements; and
- State whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements; and
- Make judgements and estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Fund will continue to operate.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Fund and enable them to ensure that the financial statements comply with the Charities Act 2011 and the provisions of the Trust Deeds. They are also responsible for safeguarding the assets of the Fund and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the Trustees


Chairman,

Board of Trustees

  
ALAN GILLESPIE

Date 25 JAN 23

Trustee  
Chairman Finance Committee

  
CAROLYN OPIE

Date 27 JAN 23

# ST. CLEMENTS DANES CHURCH FUND

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF ST. CLEMENTS DANES CHURCH FUND

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I report to the charity trustees on my examination of the financial statements of St Clement Danes Church Fund for the year ended 31 March 2022 which are set out on pages 8 to 20.

#### **Responsibilities and basis of report**

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ("the 2011 Act").

Having satisfied myself that the financial statements of the charity are not required to be audited under section 144 of the 2011 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the directions given by the Charity Commission under section 145 (5) (b) of the 2011 Act.

#### **Independent examiner's statement**

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination.
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Gary Heywood (ACA)

For and on behalf of Haines Watts High Wycombe Limited  
Oakingham House, Frederick Place, High Wycombe, Buckinghamshire, HP11 1JU

Dated: 30/01/2023.....

# ST. CLEMENTS DANES CHURCH FUND

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2022

### Current financial year

		Unrestricted funds	Designated funds	Restricted funds	Total
		2022	2022	2022	2022
	Notes	£	£	£	£
<b><u>Income and endowments from:</u></b>					
Donations and legacies	3	160,206	-	29,940	190,146
Charitable activities	4	47,057	-	-	47,057
Investments	5	26,944	-	-	26,944
<b>Total income</b>		<b>234,207</b>	<b>-</b>	<b>29,940</b>	<b>264,147</b>
<b><u>Expenditure on:</u></b>					
Raising funds	7	37,250	-	-	37,250
Charitable activities	8	353,021	4,854	-	357,875
<b>Total resources expended</b>		<b>390,271</b>	<b>4,854</b>	<b>-</b>	<b>395,125</b>
Net gains on investments	12	59,106	-	-	59,106
<b>Net (outgoing)/incoming resources before transfers</b>		<b>(96,958)</b>	<b>(4,854)</b>	<b>29,940</b>	<b>(71,872)</b>
Gross transfers between funds		96,958	(96,958)	-	-
<b>Net movement in funds</b>		<b>-</b>	<b>(101,812)</b>	<b>29,940</b>	<b>(71,872)</b>
Fund balances at 1 April 2021		100,000	1,145,529	1,765	1,247,294
<b>Fund balances at 31 March 2022</b>		<b>100,000</b>	<b>1,043,717</b>	<b>31,705</b>	<b>1,175,422</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.



# ST. CLEMENTS DANES CHURCH FUND

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2022

Prior financial year

		Unrestricted funds	Designated funds	Restricted funds	Total
		2021	2021	2021	2021
	Notes	£	£	£	£
<b><u>Income and endowments from:</u></b>					
Donations and legacies	3	214,131	10,000	-	224,131
Charitable activities	4	802	-	-	802
Investments	5	27,946	-	-	27,946
Other income	6	9,434	-	-	9,434
<b>Total income</b>		<b>252,313</b>	<b>10,000</b>	<b>-</b>	<b>262,313</b>
<b><u>Expenditure on:</u></b>					
Raising funds	7	44,737	-	-	44,737
Charitable activities	8	301,834	31,824	1,150	334,808
<b>Total resources expended</b>		<b>346,571</b>	<b>31,824</b>	<b>1,150</b>	<b>379,545</b>
Net losses on investments	12	120,124	-	-	120,124
<b>Net (outgoing)/incoming resources before transfers</b>		<b>25,866</b>	<b>(21,824)</b>	<b>(1,150)</b>	<b>2,892</b>
Gross transfers between funds		(25,866)	25,866	-	-
<b>Net movement in funds</b>		<b>-</b>	<b>4,042</b>	<b>(1,150)</b>	<b>2,892</b>
Fund balances at 1 April 2020		100,000	1,141,487	2,915	1,244,402
<b>Fund balances at 31 March 2021</b>		<b>100,000</b>	<b>1,145,529</b>	<b>1,765</b>	<b>1,247,294</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

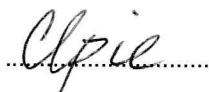
# ST. CLEMENTS DANES CHURCH FUND

## BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Investments	13		926,063		866,957
<b>Current assets</b>					
Debtors	14	12,431		50,205	
Cash at bank and in hand		263,049		343,248	
		275,480		393,453	
<b>Creditors: amounts falling due within one year</b>	15	(26,121)		(13,116)	
Net current assets			249,359		380,337
<b>Total assets less current liabilities</b>			1,175,422		1,247,294
<b>Income funds</b>					
Restricted funds	19		31,705		1,765
Endowment funds - Designated funds	20		1,043,717		1,145,529
Unrestricted funds	20		100,000		100,000
			1,175,422		1,247,294

The financial statements were approved by the Trustees on 25 JAN 2023



Trustee

# ST. CLEMENTS DANES CHURCH FUND

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 MARCH 2022**

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### **1 Accounting policies**

#### **Charity information**

St. Clements Danes Church Fund is a registered charity in the United Kingdom. The address of the registered office is given in the Trustees' report of these financial statements. The nature of the Charity's operations and principal activities is to raise money for the maintenance of St Clement Danes Church and support the day to day running of the Church for the benefit of all members of the Royal Air Force, past and present.

#### **1.1 Accounting convention**

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of investments at fair value. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

The financial statements have been prepared on a going concern basis. The trustees have reviewed and considered relevant information, including the annual budget and future cash flows in making their assessment. In particular, in response to the COVID-19 pandemic, the trustees have tested their cash flow analysis to take into account the impact on their business of possible scenarios brought on by the impact of COVID-19, alongside the measures that they can take to mitigate the impact. Based on these assessments, given the measures that could be undertaken to mitigate the current adverse conditions, and the current resources available, the trustees have concluded that they can continue to adopt the going concern basis in preparing the accounts.

#### **1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

#### **1.4 Income**

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.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of reclaim.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.



# ST. CLEMENTS DANES CHURCH FUND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 1 Accounting policies

(Continued)

#### 1.5 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Charitable expenditure comprises those costs incurred by the Charity in delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to those activities and those costs of indirect nature necessary to support them. Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include audit fees and accountancy costs linked to the strategic management of the Charity.

#### 1.6 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

#### 1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

# ST. CLEMENTS DANES CHURCH FUND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

#### 1 Accounting policies

(Continued)

##### 1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### 3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Designated funds	Total
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Donated services	133,421	-	133,421	151,607	-	151,607
Donations	23,170	-	23,170	10,041	10,000	20,041
Bequests and legacies	2,251	-	2,251	50,859	-	50,859
Memorial books	280	-	280	640	-	640
Badges	1,084	-	1,084	984	-	984
1941 Appeal	-	29,940	29,940	-	-	-
	<u>160,206</u>	<u>29,940</u>	<u>190,146</u>	<u>214,131</u>	<u>10,000</u>	<u>224,131</u>

#### 4 Charitable activities

	Special services 2022 £	Special services 2021 £
Sales within charitable activities	<u>47,057</u>	<u>802</u>

# ST. CLEMENTS DANES CHURCH FUND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 5 Investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Dividends	26,913	27,773
Interest receivable	31	173
	<u>26,944</u>	<u>27,946</u>

### 6 Other income

	Total	Unrestricted funds
	2022	2021
	£	£
Miscellaneous	-	8,508
St Mary Le Strand Income	-	926
	<u>-</u>	<u>9,434</u>

### 7 Raising funds

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
<u>Fundraising and publicity</u>		
Fundraising costs	8,592	16,248
Unit badges	625	1,025
Investment manager fee	3,263	2,852
Memorial books	212	287
Raising voluntary income	24,558	24,325
	<u>37,250</u>	<u>44,737</u>
Fundraising and publicity	37,250	44,737
	<u>37,250</u>	<u>44,737</u>

# ST. CLEMENTS DANES CHURCH FUND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 8 Charitable activities

	2022 £	2021 £
Standard and special services	1,040	1,646
Choir fees	37,393	10,448
Director of music fees	33,118	29,000
Organist's fees	1,426	871
Insurance	3,049	2,697
Utilities	11,605	6,006
Cleaning	5,739	1,245
Maintenance	43,208	27,274
Major refurbishment	12,879	32,344
St Mary le Strand	-	(1,370)
Other	-	(520)
1941 Appeal	7,008	-
Travel and subsistence	1,926	-
	<u>158,391</u>	<u>109,641</u>
Share of support costs - Special services (see note 9)	41,037	42,728
Share of support costs - Standard services (see note 9)	133,099	148,264
Share of governance costs (see note 9)	25,348	34,175
	<u>357,875</u>	<u>334,808</u>
<b>Analysis by fund</b>		
Unrestricted funds	353,021	301,834
Designated funds	4,854	31,824
Restricted funds	-	1,150
	<u>357,875</u>	<u>334,808</u>



# ST. CLEMENTS DANES CHURCH FUND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 9 Support costs

	Support costs £	Governance costs £	2022 Support costs £	Governance costs £	2021 £
Staff costs - Notional	122,425	10,996	133,421	139,613	151,607
Staff costs - Direct	8,146	-	8,146	10,958	10,958
Consultancy fees	68,123	-	68,123	64,746	64,746
Audit fees	-	7,434	7,434	-	8,609
Legal and professional	-	6,430	6,430	-	13,516
Finance costs	-	488	488	-	56
	<u>198,694</u>	<u>25,348</u>	<u>224,042</u>	<u>215,317</u>	<u>249,492</u>
Analysed between					
Fundraising	24,558	-	24,558	24,325	24,325
Charitable activities	174,136	25,348	199,484	190,992	225,167
	<u>198,694</u>	<u>25,348</u>	<u>224,042</u>	<u>215,317</u>	<u>249,492</u>

### 10 Trustees

A Gillespie, a Trustee, was reimbursed expenses of £144 by the charity during the year. None of the Trustees (or any person connected with them) received any remuneration or benefits from the charity during this or the preceding year.

### 11 Employees

Employment costs	2022 £	2021 £
Wages and salaries	<u>141,567</u>	<u>162,565</u>

No member of staff employed directly by the Fund earned more than £60,000 during the year.

The Ministry of Defence employed six members of staff (2021: six) who spent at least part of their time dealing with the administration of the St Clement Danes Fund. The Ministry of Defence makes no salary recharge for the individuals performing day to day administration, because of the Fund's charitable status. The values of staff salaries paid by the Ministry of Defence are estimated at £133,421 (2021: £151,607) and are included in the above staff costs.

The Ministry of Defence estimate of staff costs of £133,421 represents the following percentages of staff time: Chaplain - 100%, Flight Lieutenant - 3%, Flight Lieutenant - 3%, Band D Civil Servant - 100%, Band E1 Civil Servant - 100% and Caretaker 100%. The directly employed staff account for 0.35 full time equivalents (2021: 0.46) and consisted of a number of Deputy Vergers who are employed on zero hour contracts.

# ST. CLEMENTS DANES CHURCH FUND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 12 Net gains on investments

	Unrestricted funds	Unrestricted funds
	2022 £	2021 £
Gain on sale of investments	59,106	120,124

### 13 Fixed asset investments

	Listed investments £
<b>Cost or valuation</b>	
At 1 April 2021	866,957
Valuation changes	59,106
At 31 March 2022	926,063
<b>Carrying amount</b>	
At 31 March 2022	926,063
At 31 March 2021	866,957

### 14 Debtors

	2022 £	2021 £
<b>Amounts falling due within one year:</b>		
Trade debtors	7,932	442
Other debtors	240	434
Prepayments and accrued income	4,259	49,329
	12,431	50,205

### 15 Creditors: amounts falling due within one year

	2022 £	2021 £
Other taxation and social security	717	590
Trade creditors	16,800	2,835
Accruals and deferred income	8,604	9,691
	26,121	13,116

# ST. CLEMENTS DANES CHURCH FUND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 16 Capital commitments

There were no capital commitments not provided for in the financial statements (2021 - none).

### 17 Related party transactions

There were no related party transactions that require disclosure in the period under review (2021 - none).

### 18 Taxation

As a charity St. Clements Danes Church Fund is exempt from income and gains falling within section 466-493 of the Corporation Tax Act 2010 to the extent that these are derived from its charitable activities.

### 19 Restricted funds

	Movement in funds			Movement in funds			
	Balance at 1 April 2020	Incoming resources	Resources expended	Balance at 1 April 2021	Incoming resources	Resources expended	Balance at 31 March 2022
	£	£	£	£	£	£	£
Holy Sacrament	500	-	-	500	-	-	500
Organ Scholarship	2,079	-	(1,150)	929	-	-	929
RAF 100	336	-	-	336	-	-	336
1941 Appeal	-	-	-	-	29,940	-	29,940
	<u>2,915</u>	<u>-</u>	<u>(1,150)</u>	<u>1,765</u>	<u>29,940</u>	<u>-</u>	<u>31,705</u>

# ST. CLEMENTS DANES CHURCH FUND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 20 Unrestricted funds

	Balance at 1 April 2020	Incoming resources	Movement in funds			Balance at 1 April 2021	Incoming resources	Movement in funds			Balance at 31 March 2022
	£	£	Resources expended	Transfers	Revaluations gains and losses	£	£	Resources expended	Transfers	Revaluations gains and losses	£
<b>Designated funds</b>											
Bells Restoration	5,680	-	-	-	-	5,680	-	-	-	-	5,680
Church											
Refurbishment	67,174	-	(26,058)	-	-	41,116	-	(4,854)	-	-	36,262
Livestreaming	-	10,000	(5,766)	(4,234)	-	-	-	-	-	-	-
Income											
Protection Fund	1,068,633	-	-	30,100	-	1,098,733	-	-	(96,958)	-	1,001,775
<b>Total designated funds</b>	<b>1,141,487</b>	<b>10,000</b>	<b>(31,824)</b>	<b>25,866</b>	<b>-</b>	<b>1,145,529</b>	<b>-</b>	<b>(4,854)</b>	<b>(96,958)</b>	<b>-</b>	<b>1,043,717</b>
<b>General funds</b>											
General funds	100,000	252,313	(346,571)	(25,866)	120,124	100,000	234,207	(390,271)	96,958	59,106	100,000
<b>Total unrestricted funds</b>	<b>1,241,487</b>	<b>262,313</b>	<b>(378,395)</b>	<b>-</b>	<b>120,124</b>	<b>1,245,529</b>	<b>234,207</b>	<b>(395,125)</b>	<b>-</b>	<b>59,106</b>	<b>1,143,717</b>

# ST. CLEMENTS DANES CHURCH FUND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2022**

### 21 Analysis of net assets between funds

	Unrestricted funds 2022 £	Designated funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 March 2022 are represented by:								
Investments	-	896,123	29,940	926,063	5,290	861,667	-	866,957
Net Current assets	100,000	147,594	1,765	249,359	94,710	283,862	1,765	380,337
	<u>100,000</u>	<u>1,043,717</u>	<u>31,705</u>	<u>1,175,422</u>	<u>100,000</u>	<u>1,145,529</u>	<u>1,765</u>	<u>1,247,294</u>