THE SOCIETY OF ST STEPHEN'S HOUSE

England & Wales · Charity number 1177459

Details

Status	Registered
Legal form	Charitable company
Company number	11199178
Registered	2018-03-07
Register	View on the Charity Commission register

Contact

Address	St. Stephens House 16 Marston Street Oxford OX4 1JX
Phone	01865 599650
Email	bursar@ssho.ac.uk
Website	https://www.ssho.ox.ac.uk/index.html

Activities

Objects: FURTHERING THE EDUCATION AND TRAINING OF GRADUATES OF THE UNIVERSITIES OF OXFORD AND CAMBRIDGE AND OTHERS PREPARING FOR MISSION WORK ABROAD OR FOR OTHER MINISTERIAL WORK IN THE CHURCH OF ENGLAND OR THE CHURCHES IN COMMUNION WITH THE CHURCH OF ENGLAND AND FOR SUCH OTHER PURPOSES AS MAY TEND TO AID OR FURTHER THIS GENERAL OBJECT.

Activities: St Stephens House is an Oxford theological college training ordinands and lay students for Church of England and Anglican ministry worldwide. It offers University of Oxford and Durham Common Award qualifications, plus non-validated courses via the Edward King Centre and Institute of Sacred Music, combining rigorous theological education with practical ministry training.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** General Charitable Purposes, Education/training, Religious Activities
- **Who:** The General Public/mankind

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Geography

- Oxfordshire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-06-30	£1,577,263	£1,971,058	£14,277,116	25
2024-06-30	£1,811,394	£2,031,507	£14,663,273	24
2023-06-30	£1,430,475	£1,711,844	£15,874,610	22
2022-06-30	£1,239,289	£1,607,724	£15,881,607	24
2021-06-30	£1,018,570	£1,378,252	£16,426,426	23
2020-06-30	£1,652,871	£1,557,218	£17,405,506	26

Trustees

Name	Role	Appointed
Edward Dobson		2021-11-19
Katie Harrison		2023-03-08
Morag Ellis KC		2023-03-08
RIGHT REVEREND JONATHAN MARK RICHARD BAKER		2018-09-20
Rev Andreas Wenzel		2023-10-23
Reverend Dr Harri Williams		2025-09-08
Simon Beckingham Bland		2026-02-17
The Reverend Grant Lambert Naylor		2023-10-23
The Right Reverend Dr Martin Clive Warner		2018-09-20

Linked charities

- THE SOCIETY OF ST STEPHENS HOUSE (1177459-1)
- THE ENDOWMENT FUND (1177459-2)
- SHAFTO PRIZE FUND (1177459-3)

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THE SOCIETY OF ST STEPHEN'S HOUSE

England & Wales - Charity number 1177459

Accounts

The Society of St Stephen's House

Annual report and

Financial Statements

For the year ended 30 June 2025

Charity Registration Number: 1177459

Company Registration Number: 11199178

The Society of St Stephen's House
Annual Report and Financial Statements
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The Society of St Stephen's House
Charity Information
For the year ended 30 June 2025

The Society of St Stephen's House is a registered charity and a company limited by guarantee, incorporated on 12 February 2018 and registered as a charity on the 7 March 2018. The assets and liabilities of the unincorporated charity 309693 The Society of St Stephen's House, formed by an indenture dated 16 August 1876 and enrolled in the High Court of Justice (Chancery Division), were transferred to this new charity by deed of transfer on 1 July 2018. The previous charity 309693 is now a linked charity renumbered as 1177459-1.

Charity Registration Number: 1177459

Address:
16 Marston Street
Oxford
OX41JX

The House Council Trustees:

+ Life Trustees

Chairman: The Rt Revd Dr Martin Warner * +
Vice Chair: Edward Dobson Esq *
The Revd Canon Paul Armstead * (term of office expired 18 June 2025)
The Rt Revd Jonathan Baker +
Mr John Booth CVO DL (resigned 24 September 2025)
The Rt Worshipful Morag Ellis KC *
The Revd Canon Dr Robin Ward (Principal) (ex officio – term of office expired 30 April 2025) *
The Revd Dr Harri Williams (Principal) (ex officio – appointed 8 September 2025) *
The Revd Andreas Wenzel (Vice-Principal) (Staff representative) *
Ms Katie Harrison
The Revd Grant Naylor
Mr Simon Bland (appointed 17 February 2026)
Mr Felix Trimbos (appointed 11 February 2025, term of office expired 17 February 2026)
Mr Ewan Gillings (term of office expired 11 February 2025)

All Trustees are also Directors of the Limited Company

The Finance and General Purposes Committee: Trustee members of the Committee are marked * above

Advisors:

Bank:
Handelsbanken
Oxford West Way branch
Seacourt Tower, 2nd Floor
West Way
Botley
Oxford
OX2 0JJ

Solicitor:
Stone King
13 Queen Square
Bath
Avon
BA1 2HJ

Auditors:
Wenn Townsend
30 St Giles
Oxford
OX1 3LE

The Trustees present their Annual Report, incorporating their Directors' Report, for the year ended 30 June 2025 under the Charities Act 2011 and Companies Act 2006 together with the audited financial statements for the year.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Charity law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing these the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards and the Charities SORP, disclosing and explaining any departures in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping accounting records that disclose, with reasonable accuracy, the financial position of the charity at any time, and to enable them to ensure that the financial statements comply with charity law. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

REFERENCE AND ADMINISTRATIVE INFORMATION

The Charity was founded in 1876 and was previously registered with the Charity Commission under Charity number 309693. On 12 February 2018, The Society of St. Stephen's House incorporated as a private company limited by guarantee and registered as a charity on 7 March 2018. The assets and liabilities were transferred from the unincorporated charity to this limited company with effect from 1 July 2018. The House Council members at the date of this report and of those in office during the year, together with details of the senior staff and advisers of the Society, are set out on page 3 of this report.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Documents

The charity is governed by its Memorandum and Articles on incorporation on 12 February 2018 as amended on 18 June 2018 and 13 November 2018.

Governing Body

The House Council, comprising all the Trustees, is the Society's governing body. It includes a staff and a student representative and is supported by non-voting staff and student members at its meetings. The House Council determines the ongoing strategic direction of the Society and regulates its administration and the management of its finances and assets. It meets each term and is advised by the Finance and General Purposes sub-committee.

New members of the House Council are appointed according to the terms set out in the Charity's Constitution for the various categories of membership, after an appropriate audit of the governance skills required.

Recruitment and training of Trustees

The Trustees bi-annually review their role and way of conducting business at a two-day Residential. Individual Trustees take on specific responsibilities for the various areas of governance and compliance with the support of the Bursar. The Principal supports the Chairman regarding Trustee recruitment and House Council membership.

Remuneration of Trustees and Senior College Staff

The Trustees receive neither remuneration nor benefits from their Trusteeship of the Society. Those Trustees who are also employees of the Society receive remuneration for their work as employees of the Society. For Academic staff this is in accordance with 'Lichfield' Scale issued annually by the Finance Committee of the Ministry Division of the Church of England.

Organisational Management

The Society is managed by the House Council. The House Council is also responsible for setting and reviewing the core policies of the Society. These policies include a Safeguarding Policy incorporating the principles of the Church of England's Safeguarding Policy for children, young people and adults, (Promoting a Safer Church, 2017). The Health and Safety Policy is advised upon by Peninsula, and updated annually.

The work of implementing most of its policies is carried out by the Finance and General Purposes Committee, which met six times during the financial year. The day-to-day running of the Society is delegated to the Principal, supported by his staff. Key management personnel are considered to be the Principal, Vice-Principal and Bursar.

OBJECTIVES AND ACTIVITIES

Charitable Objects and Aims, Activities and Objectives

The Society's object is to fulfil its educational aims as set down in the Memorandum and Articles, being "furthering the education and training of Graduates of the Universities of Oxford and Cambridge and others preparing for Mission Work abroad or for other Ministerial work in the Church of England or the Churches in communion with the Church of England and for such other purposes as may tend to aid or further this general object."

The House Council has considered the Charity Commission's guidance on public benefit and in keeping with its objects, the Society's aims for the public benefit are to train clergy for the Anglican Communion and to enable students to pursue graduate professional training and academic research in Education, Theological Studies and such related educational activities in the University of Oxford as are consonant with the Trust Deed.

ACHIEVEMENTS AND PERFORMANCE

The Society has furthered its charitable object this year as the educational home for 40 students. 14 ordinands for the Church of England and 12 post ordination candidates have studied in a variety of ways through undergraduate and graduate courses at the University of Oxford, programmes within St Stephen's House, and the Common Award programme validated for the Church of England by the University of Durham. The Society also welcomed five independent students and nine other University of Oxford students studying for higher degrees.

Following the resignation of the Principal and the Senior Tutor, the House Council paid particular emphasis to reviewing both roles and placing recruitment to these positions a high priority for its work. Following advertisements, shortlisting and interviews, The Revd Dr Harri Williams was appointed Principal and Dr Euan Grant was appointed Senior Tutor in June 2025.

FUNDRAISING

The Society raises funds from students, alumni and those using or visiting the site to support its activities. This is done in a variety of ways including encouraging regular donations (for example the 1876 Society), sales of merchandise and periodic appeals for major projects. The Society has not re-appointed to the role of Development Director, since that role became vacant in December 2024, nor has it engaged the services of a commercial participator. No complaints were received during the year relating to fundraising.

FINANCIAL REVIEW

Details of the financial performance for the year are given in the Statement of Financial Activities (SOFA) and the net assets are set out on the Balance Sheet.

Unrestricted net expenditure before investment gains for the year is £394,107 after a charge of £99,409 for buildings depreciation charge which is set against the revaluation reserve.

Donation income in the year amounted to £181,384, including £60,750 restricted donations. The Society is grateful to the generous support of all its donors, without whom the work of the Society could not continue.

Reserves policy

The reserves policy is to maintain unrestricted reserve at a level equivalent to at least three months' operating costs. Unrestricted funds at 30 June 2025 amounted to £13.8 million as shown in Note 13 to the accounts. However, the vast majority of these funds are currently tied up in tangible fixed assets and property investments (net of long-term liabilities), with only £255k free reserves at 30 June 2025. These free reserves currently represent less than the target unrestricted reserve stated in the policy. However, the Trustees remain content that the charity has substantial net assets with realisable other investments amounting to £75k and significant property assets in excess of those needed for charitable operations. Further information can be found in the Going Concern section on page 9.

Risk management

The House Council, through the Finance and General Purposes Committee, keeps under review the major risks faced by the Society.The risks are categorised under eight separate types with impact/probability scores for each one and a record kept of action either needed or taken to manage and mitigate these risks. The types of risk considered are in the areas of strategy, organisation, students, staff, buildings, financial control, information and IT provision, and provision of services. At the operational level, risk assessments are used to manage the risks associated with all significant activities.

Investment policy, objectives and performance

The investment portfolio is overseen by the Finance and General Purposes committee. Funds are invested in M&G Charifund units and the investment properties of the charity in Oxford. Withdrawals amounting to £450k were made from the M&G Charifund in the year. The value of investments at 30 June 2025 held in M&G Charifund was £75k and in investment properties was £4,523k. Investment income for the year is set out in Note 3 to these accounts and any capital movements are set out in Notes 8 and 9.

FUTURE PLANS

Under the leadership of the new Principal, significant work and energy has been designated towards the recruitment of ordinands to the college, with an anticipated growth in candidates for the coming years. Through collaboration with research fellows of the College, and approval by the Ministry Development Board, a new pathway will be opened at St Stephen's House, the MA in Canon Law. This will form part of the establishment of an Institute for Canonical Studies, which it is hoped will broaden the appeal of the College to the wider life of the Church of England and of the Anglican Communion.

Approved by the House Council on 6 March 2026 and signed on its behalf by:

The Right Reverend Dr Martin Warner
Bishop of Chichester
Chairman of the Council

Opinion

We have audited the financial statements of The Society of St Stephen's House (the 'charitable company') for the year ended 30 June 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 charitable company's affairs as at 30 June 2025, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 responsibilities for the audit of the financial statements section of our report. We are independent of the charitable 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.

Material uncertainty related to going concern

We draw attention to the accounting policies note 'going concern' in the financial statements on page 9, which indicates that the free reserves balance is under £255k at 30 June 2025, and that continued deficits are forecast for 2025/26 and 2026/27, meaning that free reserves would be extinguished within that timeframe without the realisation of property assets or additional loan finance secured against property assets.

As stated in the accounting policies note, these events or conditions, along with other matters as set forth in the note pertaining to going concern in that section, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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.

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 Trustees' 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.

Opinions 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 (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' 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 directors' 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 directors' 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 4, 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 charitable 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor 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:

- Enquiry of management, those charged with governance and the entity's solicitors around actual and potential litigation and claims;
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the FRC's website at: https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for
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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Benjamin Hayes BSc FCA (Senior Statutory Auditor)
For and on behalf of Wenn Townsend,
Chartered Accountant, Statutory Auditor

Date:

Charity information

The Society of St Stephen's House is a registered charity and a company limited by guarantee, incorporated on 12 February 2018 and registered as a charity on the 7 March 2018 (the assets and liabilities of the unincorporated charity The Society of St Stephen's House, formed by an indenture dated 16th August 1876 and enrolled in the High Court of Justice (Chancery Division), were transferred by deed of transfer on 1 July 2018).

For assets under a Charity Commission Scheme, The Society of St Stephen's House is now the sole Trustee of that scheme and the assets under the Scheme are now under the control of this charity and included in its accounts.

Basis of Preparation

The financial statements have been prepared in accordance with United Kingdom Accounting Standards, in particular 'FRS 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and in accordance with 'The Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with FRS 102' (The Charities SORP (FRS 102)).

The financial statements have been prepared on a going concern basis and on the historical cost basis. The principal accounting policies adopted are set out below and have been applied consistently throughout the year.

Going concern

The continued actual and forecast deficits on general fund operations of the charity has necessitated a detailed review of the going concern basis of accounting in preparation of the charity accounts.

The Trustees remain content that the charity has substantial net assets amounting to over £14 million and these include significant property assets in excess of those needed for charitable operations. The Trustees note that the free reserves balance (unrestricted funds held within net current assets) is under £255k at 30 June 2025, and that continued deficits are forecast for 2025/26 and 2026/27, meaning that free reserves are forecast to be extinguished within that timeframe without the realisation of property assets.

The Trustees have concluded that there would be a material uncertainty over going concern at the date of the approval of these financial statements if property assets are not sold. As a result of this, the Trustees made the decision in October 2025 to sell the Moberley Close property which is not required for charitable operations. The property was put on the market at the end of January 2026 and the aim is to complete the transaction in August 2026. Professional property advice taken by the charity provides confidence to the Trustees that the charity can achieve a sale price at least equal to the balance sheet valuation of the property and hopefully substantially in excess of this. The proceeds of this transaction will mean that free reserves are replenished to the extent that any forecast deficits will be covered well in excess of the 12 months from date of approval of these financial statements. Should there be any significant delay in selling the property, the Trustees remain committed to taking out additional loan finance against property assets as necessary.

The Trustees therefore remain content that the going concern basis continues to be appropriate in preparation of the financial statements.

Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity. Designated funds are unrestricted funds which have been either allocated or expended by the Trustees for a specified purpose.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors or which have been raised by the charity for particular purposes. The nature of each restricted fund is set out in the notes to the accounts.

Fees and other income

Students' fees, rents and educational summer school income are accounted for in the period in which the service or facilities are provided.

Voluntary income

Donations and gifts are recognised on receipt by the charity. Legacies are recognised when there is reasonable assurance of their receipt and the amount is known. Amounts received for activities restricted by the wishes of the donor are held in restricted funds.

Resources expended
Resources expended are accounted for on an accruals basis. Overhead and other costs are allocated to relevant categories by management. Governance costs comprise costs associated with constitutional and statutory requirements. The irrecoverable element of VAT is included within administrative overheads.

Tangible fixed assets
Land and buildings are stated at fair value. Equipment is stated at cost. Items less than £500 are charged to the income and expenditure account as incurred.

Finance costs incurred to fund the improvements to the property have been capitalised. The amount included in the cost of the freehold property is shown in the notes to the financial statements.

Depreciation
Significant fixed assets are capitalised and depreciated over their estimated useful lives. The depreciation rates applied are as follows:

Freehold property	2% straight line
Fixtures, fittings and equipment	5% - 33.33% straight line

Buildings associated with equity sharing loans (note 12) have been included at their undepreciated fair value.

Gifted assets
Gifts of significant fixed assets are capitalised and included in the appropriate fixed asset category. The value of such assets is included in income in the period in which the gift is received.

Investments
Listed investments are valued at the middle of the bid and offer price but if only one of these is available then that price is used. Unrealised gains or losses as shown in the Statement of Financial Activities are credited or debited to the relevant fund. Income from investments is recognised when the charity becomes entitled to it.
Current asset investments are held for the short term and may be realised should the need arise.

Investment properties are stated at the market value at the balance sheet date. The Statement of Financial Activities shows net investment gains and losses arising from revaluation of the investment portfolio and disposals throughout the year.

Pension schemes
The Society participates in the Church of England Funded Pension Scheme and the Church of England Defined Benefits Scheme, part of the Church Workers Pension Fund. The costs of retirement benefits provided to employees of the Society through the multi-employer defined pension schemes are accounted for as if these were defined contribution schemes as information is not available to use defined benefit accounting in accordance with the requirements of FRS 102. The Society's contributions to these schemes are recognised as a liability and an expense in the period in which the salaries to which the contributions relate are payable.In addition, a liability is recognised at the balance sheet date for the discounted value of the expected future contribution payments under the agreements with these multi-employer schemes to fund the past service deficits.

The Society also participates in the University of Oxford Staff Pension Scheme. These schemes are hybrid pension schemes, providing defined benefits (for members), as well as defined contribution benefits.The assets of the schemes are each held in a separate trustee-administered fund. Because of the mutual nature of the schemes, the assets are not attributed to individual Colleges and scheme-wide contribution rates are set. The Society is therefore exposed to actuarial risks associated with other Universities and College employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis.

As required by Section 28 of FRS 102 "Employee benefits", the Society therefore accounts for the schemes as if they were wholly defined contribution schemes. As a result, the amount charged to the profit and loss account represents the contributions payable to each scheme. Since the Society has entered into agreements (the Recovery Plans) that determine how each employer within the schemes will fund the overall deficit, the Society recognises a liability for the contributions payable that arise from the agreements (to the extent that they relate to the deficit) and therefore an expense is recognized.

The Society of St Stephen's House
Statement of Financial Activities
(including income and expenditure account)
For the year ended 30 June 2025

	Notes	Unrestricted Funds £	Restricted Funds £	**2025 Total £**	2024 Total £
INCOME AND ENDOWMENTS FROM:					
Charitable activities:					
Teaching, research and residential	1	564,405	-	**564,405**	637,246
Donations and legacies	2	120,634	60,750	**181,384**	456,618
Investments					
Investment income	3	308,541	6,550	**315,091**	29,888
Other income					
Concert and other event income		182,799	-	**182,799**	132,320
Other rents and property income		331,296	-	**331,296**	545,055
Other income		2,288	-	**2,288**	10,267
Total income		**1,509,963**	**67,300**	**1,577,263**	1,811,394
EXPENDITURE ON:					
Charitable activities:					
Teaching, research and residential	4	1,659,781	66,988	**1,726,769**	1,873,903
Generating funds:					
Fundraising	4	11,306	-	**11,306**	20,459
Investment management costs	4	40,364	-	**40,364**	-
Other expenditure	4	192,619	-	**192,619**	137,145
Total Expenditure	4	**1,904,070**	**66,988**	**1,971,058**	2,031,507
Net Income/(Expenditure) before gains/(losses)		**(394,107)**	**312**	**(393,795)**	(220,113)
Net gains/(losses) on investments	9	7,638	-	**7,638**	16,772
Net Income/(Expenditure)		**(386,469)**	**312**	**(386,157)**	(203,341)
Transfers between funds	13	-	-	**-**	-
Other recognised gains/losses					
(Losses) on revaluation of fixed assets		-	-	**-**	(1,144,938)
Gains on revaluation of loans		-	-	**-**	136,942
Actuarial gains on defined benefit pension schemes		-	-	**-**	-
Net movement in funds for the year		**(386,469)**	**312**	**(386,157)**	(1,211,337)
Fund balances brought forward	13	**14,167,170**	**496,103**	**14,663,273**	15,874,610
Funds carried forward	13	**13,780,701**	**496,415**	**14,277,116**	14,663,273

The Society of St Stephen's House
Balance Sheet
As at 30 June 2025

	Notes	2025 £	2024 £
FIXED ASSETS			
Tangible assets	7	**12,140,673**	12,267,552
Property investments	8	**4,523,000**	4,523,000
Other Investments	9	**74,519**	516,881
Total Fixed Assets		**16,738,192**	17,307,433
CURRENT ASSETS			
Stocks		**1,834**	1,111
Debtors	10	**211,698**	191,285
Cash at bank and in hand		**516,078**	287,473
Total Current Assets		**729,610**	479,869
LIABILITIES			
Creditors: Amounts falling due within one year	11	**(475,025)**	(408,368)
NET CURRENT ASSETS/(LIABILITIES)		**254,585**	71,501
TOTAL ASSETS LESS CURRENT LIABILITIES		**16,992,777**	17,378,934
CREDITORS: falling due after more than one year	12	**(2,715,661)**	(2,715,661)
NET ASSETS/(LIABILITIES) BEFORE PENSION ASSET OR LIABILITY		**14,277,116**	14,663,273
TOTAL NET ASSETS/(LIABILITIES)		**14,277,116**	14,663,273
FUNDS OF THE COLLEGE	13		
Restricted funds		**496,415**	496,103
Unrestricted funds			
General funds		**3,650,354**	3,937,414
Revaluation reserve		**10,130,347**	10,229,756
		14,277,116	14,663,273

The financial statements were approved and authorised for issue by the House Council of The Society of St Stephen's House on 6 March 2026

The Right Reverend Dr Martin Warner
Bishop of Chichester
Chairman of the Council

The Society of St Stephen's House
Consolidated Statement of Cash Flows
For the year ended 30 June 2025

	Notes	2025 £	2024 £
Net cash (used in) operating activities	18	**(528,757)**	(150,194)
Cash flows from investing activities			
Dividends, interest and rents from investments		**315,091**	29,888
Purchase of property, plant and equipment		**(7,729)**	(10,117)
Proceeds from sale of investments		**450,000**	-
Net cash provided by investing activities		**757,362**	19,771
Change in cash and cash equivalents in the reporting period		**228,605**	(130,423)
Cash and cash equivalents at the beginning of the reporting period		**287,473**	417,896
Cash and cash equivalents at the end of the reporting period	19	**516,078**	287,473

1 INCOME FROM CHARITABLE ACTIVITIES

	2025	2024
Teaching, Research and Residential	**£**	£
Unrestricted funds		
Educational income	301,499	285,369
Student residential income	125,872	156,267
Summer schools/conferences income	137,034	195,610
Total Teaching, Research and Residential	**564,405**	**637,246**

2 DONATIONS AND LEGACIES

	2025	2024
	£	£
Donations and Legacies		
Unrestricted funds	120,634	123,359
Restricted funds	60,750	333,259
	181,384	**456,618**

3 INVESTMENT INCOME

	2025	2024
	£	£
Investment income		
Investment property income	288,052	-
Other investment income	27,039	29,888
	315,091	**29,888**

4 ANALYSIS OF EXPENDITURE

		2025	2024
		£	£
Charitable expenditure			
Teaching, research and residential:			
Academic, premises, catering and other direct costs		1,218,794	1,328,836
Domestic administration costs		317,127	251,712
Depreciation		134,608	248,481
Property loan interest		45,767	35,855
Governance costs	Note 5	10,473	9,019
Total charitable expenditure		**1,726,769**	1,873,903
Expenditure on raising funds			
Fundraising		11,306	20,459
Investment management costs - property		40,364	-
Other costs of generating funds - concert and other event costs		192,619	137,145
Total expenditure on raising funds		**244,289**	157,604
Total expenditure		**1,971,058**	2,031,507

5 AUDITOR'S REMUNERATION

		2025	2024
		£	£
Governance costs:			
Auditor's remuneration - audit services		6,215	5,879
Auditor's remuneration - audit services re prior year		950	-
Auditor's remuneration - year end accounting services		3,308	3,140
	Note 4	10,473	9,019
Included within Domestic administration costs in Note 4:			
Auditor's remuneration - other accounting services		37,238	28,590
		47,711	37,609

6 STAFF COSTS

The aggregate staff costs for the year were as follows.	**2025** **£**	2024 £
Salaries and wages	**657,530**	509,130
Social security costs	**43,640**	41,956
Pension contributions	**80,113**	79,980
	781,283	631,066

The average number of employees of the College, excluding Trustees, was as follows.	**2025**	2024
Total	**25**	24

No employee earned over £60,000 in the year other than the trustee disclosure in Note 15.

The above salaries and wages costs for 2025 includes contractual and statutory entitlement payments in respect of role restructuring and cessation of a non-core activity, for relevant employees whose contracts ended in the year. These amounted to a total of £93,778, of which £8,243 is included in creditors at the year end.

7 TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Fixtures, fittings and equipment £	**Total £**
Cost or valuation			
At start of year	12,120,000	804,299	**12,924,299**
Additions	-	7,729	**7,729**
At end of year	**12,120,000**	**812,028**	**12,932,028**
Depreciation and impairment			
At start of year	-	656,747	**656,747**
Charge for the year	99,409	35,199	**134,608**
At end of year	**99,409**	**691,946**	**791,355**
Net book value			
At end of year	**12,020,591**	**120,082**	**12,140,673**
At start of year	**12,120,000**	**147,552**	**12,267,552**

External valuers, Carter Jonas, Chartered Surveyors and Property Consultants, valued the freehold property (and investment property in note 8) at August 2024 and this amount is reflected in the revaluations at 30 June 2025. Their valuation was prepared in accordance with the R.I.C.S. Appraisal and Valuation Standards.

Buildings associated with equity sharing loans (note 12) have been included at their undepreciated fair value.

8 PROPERTY INVESTMENTS

	2025 Total £	2024 Total £
Valuation at start of year	**4,523,000**	994,252
Revaluation gains/(losses) in the year	**-**	(21,252)
Transfer from/(to) tangible fixed assets (note 7)	**-**	3,550,000
Valuation at end of year	**4,523,000**	4,523,000

The valuation details are shown at the foot of note 7.

9 OTHER INVESTMENTS

All investments are held at fair value.

	2025	2024
	£	£
Fixed asset investments		
Valuation at start of year	**516,881**	478,857
Withdrawals - sales proceeds	**(450,000)**	-
Increase in value of investments	**7,638**	38,024
Fixed asset investments at end of year	**74,519**	516,881

The investments represent units held in an UK equities fund.

10 DEBTORS

	2025	2024
	£	£
Amounts falling due within one year:		
Trade debtors	**106,436**	82,874
Prepayments and accrued income	**67,785**	60,550
Other debtors	**37,477**	47,861
	211,698	191,285

11 CREDITORS: falling due within one year

	2025	2024
	£	£
Trade creditors	**242,960**	170,286
Taxation and social security	**19,557**	22,150
Other creditors	**187,848**	215,932
	475,025	408,368

12 CREDITORS: falling due after more than one year

	2025	2024
	£	£
Church Commissioners Equity Sharing Loan	**1,185,440**	1,185,440
ACOCF loan	**1,030,221**	1,030,221
Bank loans	**500,000**	500,000
	2,715,661	2,715,661

An equity sharing loan of £187,000 was advanced by the Church Commissioners to fund 95.6% of the purchase of 36 James Street, Oxford. (The initial interest rate was 3% and moves annually in line with RPI.) The amount repayable upon the sale of the property is the greater of £167,000 and 95.6% of the sale value. The market value of the property is £1,240,000 and hence the fair value of the loan is £1,185,440. The fair value of the loan, where greater than £167,000, is therefore by definition at all times fully offset by the associated asset and does not affect the net asset value of the Society.

The ACOCF loan is a long term loan of £67,191, at a rate of 0.1% interest per annum secured on part of the property at 16 Marston Street, Oxford. On repayment, there is an additional equity share element to repay, being 33.6% of any increase in the value of the asset. Hence the loan has been included in the financial accounts at the fair value of £1,030,221. The value of the associated asset has also been included at undepreciated fair value.

The Handelsbanken bank loan was taken out in December 2020 to fund the re-finance of 23 James Street, Oxford. The loan repayment date has been renegotiated for an additional year, to fall due on 7 December 2026.

13 ANALYSIS OF MOVEMENTS ON FUNDS

	At 1 July 2024 £	Incoming resources £	Resources expended £	Transfers £	Gains/ (losses) £	**At 30 June 2025 £**
Restricted Funds						
Community of The Servants of the Cross Fund	168,384	-	-	-	-	**168,384**
M Ramsey Fund	3,988	-	(3,988)	-	-	**-**
The Organ Fund	32,175	-	-	-	-	**32,175**
The Armorial Fund	10,100	-	-	-	-	**10,100**
Summer School Fund	6,426	-	-	-	-	**6,426**
USA - St Stephen's House 'In Residence'	13,000	-	-	-	-	**13,000**
USA - Fund for Study Leave	15,000	-	-	-	-	**15,000**
USA - Fund for Graduate Studentships	41,156	-	-	-	-	**41,156**
Ascott Priory: Edward King Centre Adminstrator Fund	18,724	-	-	-	-	**18,724**
Friday Charitable Trust: Edward King Centre Fund	187,150	6,550	(2,250)	-	-	**191,450**
SJE funds	-	3,750	(3,750)	-	-	**-**
ACOCF: Academic Stipend Fund	-	30,000	(30,000)	-	-	**-**
Fellowship of St John - Benson Scholarship	-	27,000	(27,000)	-	-	**-**
Total Restricted Funds	496,103	67,300	(66,988)	-	-	**496,415**
Unrestricted Funds						
General funds	3,937,414	1,509,963	(1,804,661)	-	7,638	**3,650,354**
Revaluation reserve	10,229,756	-	(99,409)	-	-	**10,130,347**
Total Unrestricted Funds	14,167,170	1,509,963	(1,904,070)	-	7,638	**13,780,701**
Total Funds	14,663,273	1,577,263	(1,971,058)	-	7,638	**14,277,116**

14 ANALYSIS OF NET ASSETS BETWEEN FUNDS

2025	Unrestricted Funds £	Restricted Funds £	**2025 Total £**
Tangible fixed assets	12,140,673	-	**12,140,673**
Property investments	4,101,104	421,896	**4,523,000**
Other investments	-	74,519	**74,519**
Net current assets	254,585	-	**254,585**
Long term liabilities	(2,715,661)	-	**(2,715,661)**
	13,780,701	496,415	**14,277,116**

2024	Unrestricted Funds £	Restricted Funds £	**2024 Total £**
Tangible fixed assets	12,267,552	-	**12,267,552**
Property investments	4,523,000	-	**4,523,000**
Other investments	20,778	496,103	**516,881**
Net current assets	71,501	-	**71,501**
Long term liabilities	(2,715,661)	-	**(2,715,661)**
	14,167,170	496,103	**14,663,273**

15 TRUSTEES' REMUNERATION

Neither the trustees nor persons connected with them received any remuneration from the Society, except as below.
Expenses for travel to meetings of £658 (2024: £1,630) and an officers' insurance (estimated apportioned cost: £2,800 plus insurance premium tax, 2024: £2,800) have been paid by the Society during the year.
The Principal and staff representative on the Council are trustees of Society but receive remuneration only in respect of their academic roles.

The amounts involved are:	**2025**	2024
	£	£
Principal	**125,322**	48,167
Staff representative	**41,024**	40,475

Remuneration is calculated as gross pay and employer pension contributions.
The above remuneration disclosure for 2025 includes non-recurring payments in respect of contractual entitlements relating to the transition in the Principal role.

16 KEY MANAGEMENT REMUNERATION

The total remuneration paid to key management was £268,132 (2024: £189,405).

Remuneration is calculated as gross pay, employer pension contributions and employer national insurance contributions.

Key management are considered to be the Principal, Vice Principal and the Bursar.

17 PENSION SCHEMES

The College participates in three principal pension schemes for its staff – the Church of England Funded Pension Scheme (CEFPS), the Church Workers Pension Fund (CWPF) and the University of Oxford Staff Pension Scheme (OSPS).

Church of England Funded Pension Scheme (CEFPS)
The Society of St Stephen's House participates in the Church of England Funded Pensions Scheme for stipendiary clergy, a defined benefit pension scheme. This scheme is administered by the Church of England Pensions Board, which holds the assets of the scheme separately from those of the Responsible Bodies.

Each participating Responsible Body in the Church of England Funded Pensions Scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. It is not possible to attribute the Scheme's assets and liabilities to each specific Responsible Body, and this means contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the Statement of Financial Activities in the year are contributions payable towards benefits and expenses accrued in that year.

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out at as 31 December 2021. The 2021 valuation revealed a surplus of £560m, based on assets of £2,720m and a funding target of £2,160m, assessed using the following assumptions:

An average discount rate of 2.7% p.a.;
RPI inflation of 3.6% p.a. (and pension increases consistent with this);
CPIH inflation in line with RPI less 0.8% pre 2030 moving to RPI with no adjustment from 2030 onwards;
Increase in pensionable stipends in line with CPIH;

Mortality in accordance with 90% of the S3NA tables, with allowance for improvements in mortality rates in line with the CMI2020 extended model with a long term annual rate of improvement of 1.5%, a smoothing parameter of 7, an initial addition to mortality improvements of 0.5% pa and an allowance for 2020 data of 0% (i.e. w2020 = 0%).

Following the 31 December 2018 valuation, a deficit recovery plan was put in place until 31 December 2022 and the deficit recovery contributions (as a percentage of pensionable stipends) were as set out in the table below. An interim reduction to deficit contributions to 3.2% of pensionable stipends was made with effect from 1 April 2022. Following finalisation of the 31 December 2021 valuation, deficit contributions ceased with effect from 1 January 2023, since the Scheme was in surplus.

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. However, as there are no agreed deficit recovery payments from 1 January 2023 onwards, the balance sheet liability as at 30 June 2025 is nil.

The legal structure of the scheme is such that if another Responsible Body fails, The Society of St Stephen's House could become responsible for paying a share of that failed Responsible Body's pension liabilities.

Church Workers Pension Fund (CWPF)
The Society of St Stephen's House participates in the Pension Builder Scheme section of CWPF for lay staff. CWPF is administered by the Church of England Pensions Board, which holds the CWPF assets separately from those of the Employer and other participating employers.

CWPF has two sections:
1. the Defined Benefits Scheme
2. the Pension Builder Scheme, which has two subsections;
    (a) a deferred annuity section known as Pension Builder
    (b) a cash balance section known as Pension Builder 2014.

Pension Builder Scheme
Both sections of the Pension Builder Scheme are classed as defined benefit schemes.
Pension Builder Classic provides a pension, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Discretionary increases may also be added, depending on investment returns and other factors.
Pension Builder 2014 is a cash balance scheme that provides a lump sum which members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared is payable, unreduced, from age 65.
There is no sub-division of assets between employers in each section of the Pension Builder Scheme.
The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the Statement of Financial Activities in the year are the contributions payable.
A valuation of the Pension Builder Scheme is carried out once every three years. The most recent valuation was carried out as at 31 December 2022. The next valuation is due as at 31 December 2025.
For the Pension Builder Classic section, the valuation revealed a surplus of £34.8m on the ongoing assumptions used. At the most recent annual review effective 1 January 2025, the Board chose to grant a discretionary bonus of 6.7% to both pensions not yet in payment and pensions in payment in respect of service prior to April 1997; and a bonus on pensions in payment in respect of post April 2006 service so that the pension increase was 2.7% (where usually it would be calculated based on inflation up to 2.5%). This followed improvements in the funding position over 2024. **There is no requirement for deficit payments at the current time.**
For the Pension Builder 2014 section, the valuation revealed a surplus of £8.5m on the ongoing assumptions used. **There is no requirement for deficit payments at the current time.**
The legal structure of the scheme is such that if another employer fails, The Society of St Stephen's House could become responsible for paying a share of the failed employer's pension liabilities.

University of Oxford Staff Pension Scheme (OSPS)

The University of Oxford Staff Pension Scheme (OSPS) is a multi-employer hybrid scheme set up under trust and sponsored by the University. It is the pension scheme for support staff at the University, participating colleges and other related employers. New members joining the scheme build up benefits on a defined contribution basis. Members who joined before 1st October 2017 build up benefits on a career average revalued earnings basis.

The latest full actuarial valuation for the OSPS scheme was completed as at 31 March 2022. The funding position of this scheme has improved significantly moving from deficit of £113m to a surplus of £47m at the valuation date. As a result, the recovery plan agreed at the last valuation is no longer required and the deficit contribution ended on 30 September 2023. Hence no deficit provision is required in these financial statements.

The Trustee and the University have agreed a new contribution schedule which took effect from 1 October 2023 and takes account of the benefit improvements and changes to member contributions since the last valuation date. It was agreed that the scheme will meet its own running costs from the scheme's assets, including expenses relating to both the DB and DC Sections and the cost of pension Protection Fund /other statutory levies.

The table below summarises the key actuarial assumptions. Further details of the assumptions are set out in the statement of funding principles dated 27 June 2023 and can be found at https://finance.admin.ox.ac.uk/osps-documents

	OSPS
Date of valuation:	31/03/2022
Value of liabilities:	£914m
Value of assets:	£961m
Funding surplus / (deficit):	£47m
Principal assumptions used by actuary:	
Rate of interest (periods up to retirement)	Gilts +2.25%
Rate of interest (periods after retirement)	Gilts +0.5%
RPI	Break-even RPI curve less 0.5% pa pre-2030 and 1.0% pa post-2030
CPI	RPI inflation assumption less 1% pa pre-2030 and 0.1% pa post-2030
Pensionable Salary increases	RPI +pa
Funding ratios:	
· Technical provisions basis	105%
· 'Buy-out' basis	62%

Non-financial assumptions:

Post-retirement mortality - base table	Non-Pensioners: 105% of standard S3PxA medium tables for both males and females Pensioners: 105% of standard S3PxA medium tables for both males and females
Post-retirement mortality - improvements	Non-Pensioners: 105% of standard S3PxA medium tables for both males and females Pensioners: 105% of standard S3PxA medium tables for both males and females
Recommended employer's contribution rate (as % of pensionable salaries):	16.5% DB for members from 01/10/2023 10% /12% /14% DC members in relation to 4% /6% /8% cost plan - from 01/10/2023
Effective date of next valuation:	31/03/2025

Pension charge for the year
The pension charge recorded by the Society during the accounting peiod (excluding pension finance costs) was equal to the contributions payable after allowance for the deficit recovery plan as follows:

Scheme	**2025**	**2024**
	£	£
CEFPS	13,030	17,390
CWPS	23,016	27,765
OSPS	44,066	33,440
Other	0	1,385
Total	**80,113**	**79,980**

18 RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH FLOW FROM OPERATIONS

	2025	2024
	£	£
Net (expenditure)	(386,157)	(203,341)
Elimination of non-operating cash flows:		
Investment income	(315,091)	(29,888)
(Gains) in investments	(7,638)	(16,772)
Depreciation	134,608	248,481
(Increase)/decrease in stock	(723)	327
(Increase) in debtors	(20,413)	(3,549)
Increase/(decrease) in creditors	66,657	(143,505)
Release of provision	-	(1,947)
Net cash (used in) operating activities	**(528,757)**	(150,194)

19 ANALYSIS OF CASH AND CASH EQUIVALENTS

	2025	2024
	£	£
Cash at bank and in hand	**516,078**	287,473
Total cash and cash equivalents	**516,078**	287,473

20 RELATED PARTY TRANSACTIONS

Trustees' remuneration is disclosed in Note 16.
Donations received from Trustees amounted to £261 in the year. The Charity also received grants of £27,000 from the Fellowship of St John, which has one trustee in common with the Charity.

21 CONTINGENT LIABILITIES

On 17 July 2006 a grant to The Society of St. Stephen's House of £32,000 orginally made by The Central Board of Finance of the Church of England was assigned to The Archbishops' Council.

The grant is repayable if The Society of St Stephen's House ceases to be recognised for ordination training by the House of Bishops.

22 ADDITIONAL PRIOR YEAR COMPARATIVES

(a) Comparative Statement of Financial Activities ("SOFA")

The comparative SOFA for the year ended 30 June 2024 is presented below:

	Unrestricted Funds £	Restricted Funds £	**2024 Total £**
INCOME AND ENDOWMENTS FROM:			
Charitable activities:			
Teaching, research and residential	637,246	-	**637,246**
Donations and legacies	123,359	333,259	**456,618**
Investments			
Investment income	29,888	-	**29,888**
Other income			
Concert and other event income	132,320	-	**132,320**
Other rents	545,055	-	**545,055**
Other income	10,267	-	**10,267**
Total income	**1,478,135**	**333,259**	**1,811,394**
EXPENDITURE ON:			
Charitable activities:			
Teaching, research and residential	1,746,518	127,385	**1,873,903**
Generating funds:			
Fundraising	20,459	-	**20,459**
Other expenditure	137,145	-	**137,145**
Total Expenditure	**1,904,122**	**127,385**	**2,031,507**
Net Income/(Expenditure) before gains	**(425,987)**	**205,874**	**(220,113)**
Net gains/(losses) on investments	16,772	-	**16,772**
Net Income/(Expenditure)	**(409,215)**	**205,874**	**(203,341)**
Transfers between funds	5,000	(5,000)	**-**
Other recognised gains/losses			
Losses on revaluation of fixed assets	(1,144,938)	-	**(1,144,938)**
Gains on revaluation of loans	136,942	-	**136,942**
Actuarial gains/(losses) on defined benefit pension schemes	-	-	**-**
Net movement in funds for the year	(1,412,211)	200,874	(1,211,337)
Fund balances brought forward as previously stated	**15,579,381**	**295,229**	**15,874,610**
Funds carried forward at 31 July	**14,167,170**	**496,103**	**14,663,273**

b) Comparative fund movements

The comparative movement on funds for year ended 30 June 2024:

	At 1 July 2023 £	Incoming resources £	Resources expended £	Transfers £	Gains/ (losses) £	**At 30 June 2024 £**
Restricted Funds						
Community of The Servants of the Cross	168,384	-	-	-	-	**168,384**
M Ramsey Fund	3,988	-	-	-	-	**3,988**
The Organ Fund	32,175	-	-	-	-	**32,175**
The Armorial Fund	10,100	-	-	-	-	**10,100**
The Pye Settlement	5,000	-	-	(5,000)	-	**-**
Summer School Fund	6,426	-	-	-	-	**6,426**
USA - St Stephen's House 'In Residence'	13,000	-	-	-	-	**13,000**
USA - Fund for Study Leave	15,000	-	-	-	-	**15,000**
USA - Fund for Graduate Studentships	41,156	-	-	-	-	**41,156**
Ascott Priory: Edward Kind Centre Administrator Fund	-	18,724	-	-	-	**18,724**
Friday Charitable Trust: Edward King Centre	-	187,150	-	-	-	**187,150**
Salix Grant	-	85,385	(85,385)			**-**
Cleaver Trust: Academic Stipend Fund	-	12,000	(12,000)			**-**
ACOCF: Academic Stipend Fund	-	30,000	(30,000)			**-**
Total Restricted Funds	295,229	333,259	(127,385)	(5,000)	-	**496,103**
Unrestricted Funds						
Designated funds	1,166,147	-	(1,166,147)	-	-	**-**
General funds	2,834,005	1,478,135	(533,440)	5,000	153,714	**3,937,414**
Revaluation reserve	11,581,176	-	(206,482)	-	(1,144,938)	**10,229,756**
Pension reserve	(1,947)	-	1,947	-	-	**-**
Total Unrestricted Funds	15,579,381	1,478,135	(1,904,122)	5,000	(991,224)	**14,167,170**
Total Funds	15,874,610	1,811,394	(2,031,507)	-	(991,224)	**14,663,273**

THE SOCIETY OF ST STEPHEN'S HOUSE

England & Wales - Charity number 1177459

Accounts

The Society of St Stephen's House

Annual report and

Financial Statements

For the year ended 30 June 2024

Charity Registration Number: 1177459

Company Registration Number: 11199178

The Society of St Stephen's House
Annual Report and Financial Statements
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The Society of St Stephen's House
Charity Information
For the year ended 30 June 2024

The Society of St Stephen's House is a registered charity and a company limited by guarantee, incorporated on 12 February 2018 and registered as a charity on the 7 March 2018. The assets and liabilities of the unincorporated charily 309693 The Society of St Stephen's House, formed by an indenture dated 16 August 1876 and enrolled in the High Court of Justice (Chancery Division), were transferred to this new charity by deed of transfer on 1 July 2018. The previous charity 309693 is now a linked charity renumbered as 1177459-1.

Charity Registration Number:	1177459
Address:	16 Marston Street Oxford OX41JX
The House Council Trustees:	All Trustees are also Directors of the Limited Company
Chairman:	The Rt Revd Dr Martin Warner * +
Vice Chairman:	Edward Dobson Esq
Chairman of the Finance and General Purposes Committee:	The Revd Canon Paul Armstead *
+ Life Trustees	The Rt Revd Jonathan Baker + Mr John Booth CVO DL + The Revd Charles Card-Reynolds (term of office expired 1 September 2023) The Revd Prebendary David Houlding (term of office expired 1 September 2023) The Rt Worshipful Morag Ellis KC The Revd Canon Dr Robin Ward (Principal) (ex officio) * The Revd Andreas Wenzel (Vice-Principal) (appointed 16 October 2023) * Ms Katie Harrison The Revd Lucy Gardner (term of office expired 16 October 2023) The Revd Grant Naylor (appointed 21 November 2023) Mr Felix Trimbos (appointed 11 February 2025) Mr Ewan Gillings (appointed 6 February 2024, term of office expired 11 February 2025) Mr William Allen (term of office expired 6 February 2024)
The Finance and General Purposes Committee:	Trustee members are marked * above
Advisors:	
Bank:	Handelsbanken Oxford West Way branch Seacourt Tower, 2nd Floor West Way Botley Oxford OX2 0JJ
Solicitors :	Stone King 13 Queen Square Bath Avon BA1 2HJ
Auditors:	Wenn Townsend 30 St Giles Oxford OX1 3LE

The Trustees present their Annual Report, incorporating their Directors' Report, for the year ended 30 June 2024 under the Charities Act 2011 and Companies Act 2006 together with the audited financial statements for the year.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Charity law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing these the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards and the Charities SORP, disclosing and explaining any departures in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping accounting records that disclose, with reasonable accuracy, the financial position of the charity at any time, and to enable them to ensure that the financial statements comply with charity law. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

REFERENCE AND ADMINISTRATIVE INFORMATION

The Charity was founded in 1876 and was previously registered with the Charity Commission under Charity number 309693. On 12 February 2018, The Society of St. Stephen's House incorporated as a private company limited by guarantee and registered as a charity on 7 March 2018. The assets and liabilities were transferred from the unincorporated charity to this limited company with effect from 1 July 2018. The House Council members at the date of this report and of those in office during the year, together with details of the senior staff and advisers of the Society, are set out on page 3 of this report.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Documents

The charity is governed by its Memorandum and Articles on incorporation on 12 February 2018 as amended on 18 June 2018 and 13 November 2018.

Governing Body

The House Council, comprising all the Trustees, is the Society's governing body. It includes a staff and a student representative and is supported by non-voting staff and student members at its meetings. The House Council determines the ongoing strategic direction of the Society and regulates its administration and the management of its finances and assets. It meets each term and is advised by the Finance and General Purposes sub-committee.

New members of the House Council are appointed according to the terms set out in the Charity's Constitution for the various categories of membership, after an appropriate audit of the governance skills required.

Recruitment and training of Trustees

The Trustees bi-annually review their role and way of conducting business at a two-day Residential. Individual Trustees take on specific responsibilities for the various areas of governance and compliance with the support of the Bursar. The Principal supports the Chairman regarding Trustee recruitment and House Council membership.

Remuneration of Trustees and Senior College Staff

The Trustees receive neither remuneration nor benefits from their Trusteeship of the Society. Those Trustees who are also employees of the Society receive remuneration for their work as employees of the Society. For Academic staff this is in accordance with 'Lichfield' Scale issued annually by the Finance Committee of the Ministry Division of the Church of England. For administrative staff, this is in accordance with the relevant pay scales adopted by the House Council from those set out by the University of Oxford.

Organisational Management

The Society is managed by the House Council. The House Council is also responsible for setting and reviewing the core policies of the Society. These policies include a Safeguarding Policy incorporating the principles of the House of Bishop's Policy for safeguarding children (Protecting All God's Children, 2010) and safeguarding adults in the Church of England (Promoting a Safe Church, 2006). During 2015-16 The Society's policies were also updated to incorporate the requirements and recommendations of the Government Prevent strategy. The Health and Safety Policy is advised upon by Peninsula, and updated annually.

The work of implementing most of its policies is carried out by the Finance and General Purposes Committee, which met seven times during the financial year. The day-to-day running of the Society is delegated to the Principal, supported by his staff. Key management personnel are considered to be the Principal, Vice-Principal and Bursar.

OBJECTIVES AND ACTIVITIES

Charitable Objects and Aims, Activities and Objectives

The Society's object is to fulfil its educational aims as set down in the Memorandum and Articles, being "furthering the education and training of Graduates of the Universities of Oxford and Cambridge and others preparing for Mission Work abroad or for other Ministerial work in the Church of England or the Churches in communion with the Church of England and for such other purposes as may tend to aid or further this general object."

The House Council has considered the Charity Commission's guidance on public benefit and in keeping with its objects, the Society's aims for the public benefit are to train clergy for the Anglican Communion and to enable students to pursue graduate professional training and academic research in Education, Theological Studies and such related educational activities in the University of Oxford as are consonant with the Trust Deed.

ACHIEVEMENTS AND PERFORMANCE

The Society has furthered its charitable object this year as the educational home for 44 students. 13 ordinands for the Church of England and 9 post ordination candidates have studied in a variety of ways through undergraduate and graduate courses at the University of Oxford, programmes within St Stephen's House, and the Common Award programme validated for the Church of England by the University of Durham. The Society also welcomed 22 full-time and part-time and continuing students from the UK and overseas studying for higher degrees.

FINANCIAL REVIEW

The full details of the financial performance for the year are given in the Statement of Financial Activities (SOFA) and the net assets are set out on the Balance Sheet.

Unrestricted net expenditure before gains / losses for the year is £425,987 after a charge of £206,482 for buildings depreciation charge which is set against the revaluation reserve.

Donation income in the year amounted to £456,618, including £333,259 restricted donations. The Society is grateful to the generous support of all its donors, without whom the work of the Society could not continue.

Reserves policy

The reserves policy is to maintain unrestricted reserve at a level equivalent to at least three months' operating costs. Unrestricted funds at 30 June 2024 amounted to £14,167,170 as shown in Note 13 to the accounts. However, the vast majority of these funds are currently tied up in tangible fixed assets and property investments (net of long-term liabilities), with only £71,501 free reserves at 30 June 2024. These free reserves currently represent less than the target unrestricted reserve stated in the policy. However, the Trustees remain content that the charity has substantial net assets with realisable other investments amounting to over £500,000 and significant property assets in excess of those needed for charitable operations. Further information can be found in the Going Concern section on page 9.

Risk management

The House Council, through the Finance and General Purposes Committee, keeps under review the major risks faced by the Society.

The risks are categorised under eight separate types with impact/probability scores for each one and a record kept of action either needed or taken to manage and mitigate these risks. The types of risk considered are in the areas of strategy, organisation, students, staff, buildings, financial control, information and IT provision, and provision of services.

At the operational level, risk assessments are used to manage the risks associated with all significant activities.

Investment policy, objectives and performance

The investment portfolio is overseen by the Finance and General Purposes committee. Funds are invested in M&G Charifund units and the investment properties of the charity in Oxford. No funds were invested nor released from M&G Charifund in the year. The value of investments at 30 June 2024 held in M&G Charifund was £516,881 and in investment properties was £4,523,000.

FUTURE PLANS

The College has renegotiated its relationship with the University of Oxford following termination of the concession to use the Common Award, and ceased to be a Permanent Private Hall of the University from 1 October 2023. Under the terms of the new agreement, the College will continue to have the right to matriculate 20 students in theological subjects at the University of Oxford. The College continues to invest in extra-mural and non-resident study for students via the Edward King Centre for Pastoral Theology, and has entered a collaboration with the Royal School of Church Music to establish the Institute of Sacred Music, offering Common Award qualifications in liturgy and theology.

Approved by the House Council on 19 March 2025 and signed on its behalf by:

The Right Reverend Dr Martin Warner
Bishop of Chichester
Chairman of the Council

Opinion

We have audited the financial statements of The Society of St Stephen's House (the 'charitable company') for the year ended 30 June 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 charitable company's affairs as at 30 June 2024, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 responsibilities for the audit of the financial statements section of our report. We are independent of the charitable 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.

Material uncertainty related to going concern

We draw attention to the accounting policies note 'going concern' in the financial statements on page 9, which indicates that the free reserves balance is under £100k at 30 June 2024, and that continued deficits are forecast for 2024/25 and 2025/26, meaning that free reserves would be extinguished within that timeframe without the realisation of property assets, in addition to the planned realisation of available other investments.

As stated in the accounting policies note, these events or conditions, along with other matters as set forth in the note pertaining to going concern in that section, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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.

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 Trustees' 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.

Opinions 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 (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' 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 directors' 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 directors' 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 4, 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 charitable 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor 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:

- Enquiry of management, those charged with governance and the entity's solicitors around actual and potential litigation and claims;
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the FRC's website at: https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for
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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Benjamin Hayes BSc FCA (Senior Statutory Auditor)
For and on behalf of Wenn Townsend,
Chartered Accountant, Statutory Auditor

Date:

Charity information

The Society of St Stephen's House is a registered charity and a company limited by guarantee, incorporated on 12 February 2018 and registered as a charity on the 7 March 2018 (the assets and liabilities of the unincorporated charity The Society of St Stephen's House, formed by an indenture dated 16th August 1876 and enrolled in the High Court of Justice (Chancery Division), were transferred by deed of transfer on 1 July 2018).

For assets under a Charity Commission Scheme, The Society of St Stephen's House is now the sole Trustee of that scheme and the assets under the Scheme are now under the control of this charity and included in its accounts.

Basis of Preparation

The financial statements have been prepared in accordance with United Kingdom Accounting Standards, in particular 'FRS 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and in accordance with 'The Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with FRS 102' (The Charities SORP (FRS 102)).

The financial statements have been prepared on a going concern basis and on the historical cost basis. The principal accounting policies adopted are set out below and have been applied consistently throughout the year.

Going concern

The continued actual and forecast deficits on general fund operations of the charity has necessitated a detailed review of the going concern basis of accounting in preparation of the charity accounts.

The Trustees remain content that the charity has substantial net assets amounting to over £14.5 million and these include significant property assets in excess of those needed for charitable operations. The Trustees note that the free reserves balance (unrestricted funds held within net current assets) is under £100k at 30 June 2024, and that continued deficits are forecast for 2024/25 and 2025/26, meaning that free reserves would be extinguished within that timeframe without the realisation of property assets, in addition to the planned realisation of available other investments.

The Trustees have concluded that there would be a material uncertainty over going concern at the date of the approval of these financial statements if property assets are not sold or a new loan raised against property assets. As a result of this, the Trustees have made the decision to, either:

- sell some property subsequent to the year end, or
- take out new loan finance, with sufficiently long repayment dates of greater than two years, to raise similar funds.

The aim is to complete the transaction to raise funds as soon as possible within the next 12 months. The proceeds of this transaction, together with the planned sale of available other investments, will mean that free reserves are replenished to the extent that any forecast deficits will be covered well in excess of the 12 months from date of approval.

The Trustees therefore remain content that the going concern basis continues to be appropriate in preparation of the financial statements.

Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity. Designated funds are unrestricted funds which have been either allocated or expended by the Trustees for a specified purpose.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors or which have been raised by the charity for particular purposes. The nature of each restricted fund is set out in the notes to the accounts.

Fees and other income

Students' fees, rents and educational summer school income are accounted for in the period in which the service or facilities are provided.

Voluntary income

Donations and gifts are recognised on receipt by the charity. Legacies are recognised when there is reasonable assurance of their receipt and the amount is known. Amounts received for activities restricted by the wishes of the donor are held in restricted funds.

Resources expended

Resources expended are accounted for on an accruals basis. Overhead and other costs are allocated to relevant categories by management. Governance costs comprise costs associated with constitutional and statutory requirements. The irrecoverable element of VAT is included within administrative overheads.

Tangible fixed assets
Land and buildings are stated at fair value. Equipment is stated at cost. Items less than £500 are charged to the income and expenditure account as incurred.

Finance costs incurred to fund the improvements to the property have been capitalised. The amount included in the cost of the freehold property is shown in the notes to the financial statements.

Depreciation
Significant fixed assets are capitalised and depreciated over their estimated useful lives. The depreciation rates applied are as follows:

Freehold property	2% straight line
Fixtures, fittings and equipment	5% - 33.33% straight line

Buildings associated with equity sharing loans (note 12) have been included at their undepreciated fair value.

Gifted assets
Gifts of significant fixed assets are capitalised and included in the appropriate fixed asset category. The value of such assets is included in income in the period in which the gift is received.

Investments
Listed investments are valued at the middle of the bid and offer price but if only one of these is available then that price is used. Unrealised gains or losses as shown in the Statement of Financial Activities are credited or debited to the relevant fund. Income from investments is recognised when the charity becomes entitled to it.
Current asset investments are held for the short term and may be realised should the need arise.

Investment properties are stated at the market value at the balance sheet date. The Statement of Financial Activities shows net investment gains and losses arising from revaluation of the investment portfolio and disposals throughout the year.

Pension schemes
The Society participates in the Church of England Funded Pension Scheme and the Church of England Defined Benefits Scheme, part of the Church Workers Pension Fund. The costs of retirement benefits provided to employees of the Society through the multi-employer defined pension schemes are accounted for as if these were defined contribution schemes as information is not available to use defined benefit accounting in accordance with the requirements of FRS 102. The Society's contributions to these schemes are recognised as a liability and an expense in the period in which the salaries to which the contributions relate are payable.In addition, a liability is recognised at the balance sheet date for the discounted value of the expected future contribution payments under the agreements with these multi-employer schemes to fund the past service deficits.

The Society also participates in the University of Oxford Staff Pension Scheme. These schemes are hybrid pension schemes, providing defined benefits (for members), as well as defined contribution benefits.The assets of the schemes are each held in a separate trustee-administered fund. Because of the mutual nature of the schemes, the assets are not attributed to individual Colleges and scheme-wide contribution rates are set. The Society is therefore exposed to actuarial risks associated with other Universities and College employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis.

As required by Section 28 of FRS 102 "Employee benefits", the Society therefore accounts for the schemes as if they were wholly defined contribution schemes. As a result, the amount charged to the profit and loss account represents the contributions payable to each scheme. Since the Society has entered into agreements (the Recovery Plans) that determine how each employer within the schemes will fund the overall deficit, the Society recognises a liability for the contributions payable that arise from the agreements (to the extent that they relate to the deficit) and therefore an expense is recognised.

The Society of St Stephen's House
Statement of Financial Activities
(including income and expenditure account)
For the year ended 30 June 2024

	Notes	Unrestricted Funds £	Restricted Funds £	**2024 Total £**	2023 Total £
INCOME AND ENDOWMENTS FROM:					
Charitable activities:					
Teaching, research and residential	1	637,246	-	**637,246**	806,330
Donations and legacies	2	123,359	333,259	**456,618**	178,204
Investments					
Investment income	3	29,888	-	**29,888**	34,822
Other income					
Concert and other event income		132,320	-	**132,320**	129,151
Other rents		545,055	-	**545,055**	278,014
Other income		10,267	-	**10,267**	3,954
Total income		**1,478,135**	**333,259**	**1,811,394**	1,430,475
EXPENDITURE ON:					
Charitable activities:					
Teaching, research and residential	4	1,746,518	127,385	**1,873,903**	1,581,217
Generating funds:					
Fundraising	4	20,459	-	**20,459**	19,596
Other expenditure	4	137,145		**137,145**	111,031
Total Expenditure	4	**1,904,122**	**127,385**	**2,031,507**	1,711,844
Net Income/(Expenditure) before gains/(losses)		**(425,987)**	**205,874**	**(220,113)**	(281,369)
Net gains/(losses) on investments	9	16,772	-	**16,772**	(27,258)
Net Income/(Expenditure)		**(409,215)**	**205,874**	**(203,341)**	(308,627)
Transfers between funds	13	5,000	(5,000)	**-**	-
Other recognised gains/losses					
(Losses) on revaluation of fixed assets		(1,144,938)	-	**(1,144,938)**	-
Gains on revaluation of loans		136,942		**136,942**	
Actuarial gains on defined benefit pension schemes		-	-	**-**	97,774
Net movement in funds for the year		**(1,412,211)**	**200,874**	**(1,211,337)**	(210,853)
Fund balances brought forward	13	**15,579,381**	**295,229**	**15,874,610**	16,085,463
Funds carried forward	13	**14,167,170**	**496,103**	**14,663,273**	15,874,610

The Society of St Stephen's House
Balance Sheet
As at 30 June 2024

	Notes	2024 £	2023 £
FIXED ASSETS			
Tangible assets	7	**12,267,552**	17,200,853
Property investments	8	**4,523,000**	994,252
Other Investments	9	**516,881**	478,858
Total Fixed Assets		**17,307,433**	18,673,963
CURRENT ASSETS			
Stocks		**1,111**	1,438
Debtors	10	**191,285**	187,736
Cash at bank and in hand		**287,473**	417,896
Total Current Assets		**479,869**	607,070
LIABILITIES			
Creditors: Amounts falling due within one year	11	**(408,368)**	(551,873)
NET CURRENT ASSETS/(LIABILITIES)		**71,501**	55,197
TOTAL ASSETS LESS CURRENT LIABILITIES		**17,378,934**	18,729,160
CREDITORS: falling due after more than one year	12	**(2,715,661)**	(2,852,603)
NET ASSETS/(LIABILITIES) BEFORE PENSION ASSET OR LIABILITY		**14,663,273**	15,876,557
Defined benefit pension scheme liability	18	**-**	(1,947)
TOTAL NET ASSETS/(LIABILITIES)		**14,663,273**	15,874,610
FUNDS OF THE COLLEGE	13		
Restricted funds		**496,103**	295,229
Unrestricted funds			
Designated funds		**-**	1,166,147
General funds		**3,937,414**	2,830,111
Revaluation reserve		**10,229,756**	11,581,176
Pension reserve	18	**-**	1,947
		14,663,273	15,874,610

The financial statements were approved and authorised for issue by the House Council of The Society of St Stephen's House on 19 March 2025

The Right Reverend Dr Martin Warner
Bishop of Chichester
Chairman of the Council

The Society of St Stephen's House
Consolidated Statement of Cash Flows
For the year ended 30 June 2024

	Notes	2024 £	2023 £
Net cash (used in) operating activities	19	**(150,194)**	(88,164)
Cash flows from investing activities			
Dividends, interest and rents from investments		**29,888**	34,822
Purchase of property, plant and equipment		**(10,117)**	(3,787)
Net cash provided by investing activities		**19,771**	31,035
Change in cash and cash equivalents in the reporting period		**(130,423)**	(57,129)
Cash and cash equivalents at the beginning of the reporting period		**417,896**	436,615
Change in cash and cash equivalents due to exchange rate movements		**-**	-
Cash and cash equivalents at the end of the reporting period	20	**287,473**	417,896

1 INCOME FROM CHARITABLE ACTIVITIES

	2024	2023
Teaching, Research and Residential	**£**	£
Unrestricted funds		
Educational income	285,369	326,771
Student residential income	156,267	376,819
Summer schools/conferences income	195,610	102,740
Total Teaching, Research and Residential	**637,246**	**806,330**

2 DONATIONS AND LEGACIES

	2024	2023
	£	£
Donations and Legacies		
Unrestricted funds	123,359	138,204
Restricted funds	333,259	40,000
	456,618	**178,204**

3 INVESTMENT INCOME

	2024	2023
	£	£
Investment income		
Unrestricted funds	29,888	34,822
	29,888	**34,822**

4 ANALYSIS OF EXPENDITURE

		2024	2023
		£	£
Charitable expenditure			
Teaching, research and residential:			
Academic, premises, catering and other direct costs		1,328,836	1,097,136
Domestic administration costs		251,712	224,074
Depreciation		248,481	228,027
Property loan interest		35,855	23,320
Governance costs	Note 5	9,019	8,660
Total charitable expenditure		1,873,903	1,581,217
Expenditure on raising funds			
Fundraising		20,459	19,596
Other costs of generating funds:			
Concert and other event costs		137,145	111,031
Total expenditure on raising funds		157,604	130,627
Total expenditure		**2,031,507**	1,711,844

5 AUDITOR'S REMUNERATION

		2024	2023
		£	£
Governance costs:			
Auditor's remuneration - audit services		5,879	5,660
Auditor's remuneration - year end accounting services		3,140	3,000
	Note 4	9,019	8,660
Included within Domestic administration costs in Note 4:			
Auditor's remuneration - other accounting services		28,590	23,000
		37,609	31,660

6 STAFF COSTS

	2024	2023
The aggregate staff costs for the year were as follows.	**£**	£
Salaries and wages	**509,130**	463,351
Social security costs	**41,956**	38,659
Pension contributions	**79,980**	80,500
	631,066	582,510

	2024	2023
The average number of employees of the College, excluding Trustees, was as follows.		
Total	**24**	22

No employee earned over £60,000 in the year.

7 TANGIBLE FIXED ASSETS

	Freehold land and buildings	Fixtures, fittings and equipment	**Total**
	£	£	**£**
Cost or valuation			
At start of year	18,879,771	794,182	**19,673,953**
Additions	-	10,117	**10,117**
Revaluation	(3,209,771)	-	**(3,209,771)**
Transfer to/(from) investment property (note 8)	(3,550,000)	-	**(3,550,000)**
At end of year	**12,120,000**	**804,299**	**12,924,299**
Depreciation and impairment			
At start of year	1,858,350	614,750	**2,473,100**
Charge for the year	206,482	41,997	**248,479**
Eliminated on revalued assets	(2,064,832)	-	**(2,064,832)**
At end of year	**-**	**656,747**	**656,747**
Net book value			
At end of year	**12,120,000**	**147,552**	**12,267,552**
At start of year	17,021,421	179,432	**17,200,853**

External valuers, Carter Jonas, Chartered Surveyors and Property Consultants, valued the freehold property (and investment property in note 8) at August 2024 and this amount is reflected in the revaluations at 30 June 2024.

Their valuation was prepared in accordance with the R.I.C.S. Appraisal and Valuation Standards.

Buildings associated with equity sharing loans (note 12) have been included at their undepreciated fair value.

8 PROPERTY INVESTMENTS

	2024	2023
	Total	Total
	£	£
Valuation at start of year	**994,252**	994,252
Revaluation gains/(losses) in the year	**(21,252)**	-
Transfer from/(to) tangible fixed assets (note 7)	**3,550,000**	-
Valuation at end of year	**4,523,000**	994,252

At 30 June 2024, one property was reclassified from tangible fixed assets to property investments and another property vice versa, reflecting the current use of the properties.

9 OTHER INVESTMENTS

All investments are held at fair value.

	2024	2023
	£	£
Fixed asset investments		
Valuation at start of year	**478,857**	506,116
Increase/(Decrease) in value of investments	**38,024**	(27,258)
Fixed asset investments at end of year	**516,881**	478,858

The investments represent units held in an UK equities fund.

10 DEBTORS

	2024	2023
	£	£
Amounts falling due within one year:		
Trade debtors	**82,874**	123,934
Prepayments and accrued income	**60,550**	34,671
Other debtors	**47,861**	29,131
	191,285	187,736

11 CREDITORS: falling due within one year

	2024	2023
	£	£
Trade creditors	**170,286**	335,217
Taxation and social security	**22,150**	9,721
Other creditors	**215,932**	206,935
	408,368	551,873

12 CREDITORS: falling due after more than one year

	2024	2023
	£	£
Church Commissioners Equity Sharing Loan	**1,185,440**	1,222,724
ACOCF loan	**1,030,221**	1,129,879
Bank loans	**500,000**	500,000
	-	
	2,715,661	2,852,603

An equity sharing loan of £187,000 was advanced by the Church Commissioners to fund 95.6% of the purchase of 36 James Street, Oxford. (The initial interest rate was 3% and moves annually in line with RPI.) The amount repayable upon the sale of the property is the greater of £167,000 and 95.6% of the sale value. The market value of the property is £1,240,000 and hence the fair value of the loan is £1,185,440. The fair value of the loan, where greater than £167,000, is therefore by definition at all times fully offset by the associated asset and does not affect the net asset value of the Society.

The ACOCF loan is a long term loan of £67,191, at a rate of 0.1% interest per annum secured on part of the property at 16 Marston Street, Oxford. On repayment, there is an additional equity share element to repay, being 33.6% of any increase in the value of the asset. Hence the loan has been included in the financial accounts at the fair value of £1,129,879. The value of the associated asset has also been included at undepreciated fair value.

The Handelsbanken bank loan was taken out in December 2020 to fund the re-finance of 23 James Street, Oxford. The loan repayment date has been renegotiated for an additional year, to fall due on 7 December 2025.

13 ANALYSIS OF MOVEMENTS ON FUNDS

	At 1 July 2023 £	Incoming resources £	Resources expended £	Transfers £	Gains/ (losses) £	**At 31 June 2024 £**
Restricted Funds						
Community of The Servants of the Cross Fund	168,384	-	-	-	-	**168,384**
M Ramsey Fund	3,988	-	-	-	-	**3,988**
The Organ Fund	32,175	-	-	-	-	**32,175**
The Armorial Fund	10,100	-	-	-	-	**10,100**
The Pye Settlement	5,000	-	-	(5,000)	-	**-**
Summer School Fund	6,426	-	-	-	-	**6,426**
USA - St Stephen's House 'In Residence'	13,000	-	-	-	-	**13,000**
USA - Fund for Study Leave	15,000	-	-	-	-	**15,000**
USA - Fund for Graduate Studentships	41,156	-	-	-	-	**41,156**
Ascott Priory: Edward King Centre Adminstrator Fund	-	18,724	-	-	-	**18,724**
Friday Charitable Trust: Edward King Centre Fund	-	187,150	-	-	-	**187,150**
Salix grant	-	85,385	(85,385)	-	-	**-**
Cleaver Trust: Academic Stipend Fund		12,000	(12,000)	-	-	**-**
ACOCF: Academic Stipend Fund	-	30,000	(30,000)	-	-	**-**
Total Restricted Funds	295,229	333,259	(127,385)	(5,000)	-	**496,103**
Unrestricted Funds						
Designated funds	1,166,147	-	(1,166,147)	-	-	**-**
General funds	2,834,005	1,478,135	(533,440)	5,000	153,714	**3,937,414**
Revaluation reserve	11,581,176	-	(206,482)	-	(1,144,938)	**10,229,756**
Pension reserve	(1,947)	-	1,947	-	-	**-**
Total Unrestricted Funds	15,579,381	1,478,135	(1,904,122)	5,000	(991,224)	**14,167,170**
Total Funds	15,874,610	1,811,394	(2,031,507)	-	(991,224)	**14,663,273**

15 ANALYSIS OF NET ASSETS BETWEEN FUNDS

2024	Unrestricted Funds £	Restricted Funds £	**2024 Total £**
Tangible fixed assets	12,267,552	-	**12,267,552**
Property investments	4,523,000	-	**4,523,000**
Other investments	20,778	496,103	**516,881**
Net current assets	71,501	-	**71,501**
Long term liabilities	(2,715,661)	-	**(2,715,661)**
Pension scheme liabilities	-	-	**-**
	14,167,170	496,103	**14,663,273**

2023	Unrestricted Funds £	Restricted Funds £	**2023 Total £**
Tangible fixed assets	17,200,853	-	**17,200,853**
Property investments	994,252	-	**994,252**
Other investments	155,811	323,047	**478,858**
Net current assets	55,197	-	**55,197**
Long term liabilities	(2,852,603)	-	**(2,852,603)**
Pension scheme liabilities	(1,947)	-	**(1,947)**
	15,551,563	323,047	**15,874,610**

16 TRUSTEES' REMUNERATION

Neither the trustees nor persons connected with them received any remuneration from the Society, except as below.
Expenses for travel to meetings of £1,630 (2023: £247) and an officers' insurance (estimated apportioned cost: £2,800 plus insurance premium tax, 2023: £2,800) have been paid by the Society during the year.
The Principal and staff representative on the Council are trustees of Society but receive remuneration only for their academic roles.

The amounts involved are:	**2024**	2023
	£	£
Principal	**48,167**	47,598
Staff representative to 23 October 2023	**8,809**	26,366
Staff representative from 23 October 2023	**31,666**	0

Remuneration is calculated as gross pay and employer pension contributions.

17 KEY MANAGEMENT REMUNERATION

The total remuneration paid to key management was £189,405 (2023: £151,609).

Remuneration is calculated as gross pay, employer pension contributions and employer national insurance contributions.

Key management are considered to be the Principal, Vice Principal and the Bursar.

18 PENSION SCHEMES

The College participates in three principal pension schemes for its staff – the Church of England Funded Pension Scheme (CEFPS), the Church Workers Pension Fund (CWPF) and the University of Oxford Staff Pension Scheme (OSPS).

Overview of pension provision	**2024**	2023
	£	£
CEFPS	**-**	-
CWPS	**-**	-
OSPS	**-**	1,947
	-	1,947

Church of England Funded Pension Scheme (CEFPS)

The Society of St Stephen's House participates in the Church of England Funded Pensions Scheme for stipendiary clergy, a defined benefit pension scheme. This scheme is administered by the Church of England Pensions Board, which holds the assets of the scheme separately from those of the Responsible Bodies.

Each participating Responsible Body in the Church of England Funded Pensions Scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. It is not possible to attribute the Scheme's assets and liabilities to each specific Responsible Body, and this means contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year.

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out at as 31 December 2021. The 2021 valuation revealed a surplus of £560m, based on assets of £2,720m and a funding target of £2,160m, assessed using the following assumptions:

An average discount rate of 2.7% p.a.;

RPI inflation of 3.6% p.a. (and pension increases consistent

CPIH inflation in line with RPI less 0.8% pre 2030 moving to RPI with no adjustment from 2030 onwards;

Increase in pensionable stipends in line with CPIH;

Mortality in accordance with 90% of the S3NA tables, with allowance for improvements in mortality rates in line with the CMI2020 extended model with a long term annual rate of improvement of 1.5%, a smoothing parameter of 7, an initial addition to mortality improvements of 0.5% pa and an allowance for 2020 data of 0% (i.e. w2020 = 0%).

Following the 31 December 2018 valuation, a deficit recovery plan was put in place until 31 December 2022 and the deficit recovery contributions (as a percentage of pensionable stipends) were as set out in the table below. An interim reduction to deficit contributions to 3.2% of pensionable stipends was made with effect from 1 April 2022. Following finalisation of the 31 December 2021 valuation, deficit contributions ceased with effect from 1 January 2023, since the Scheme was in surplus.

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. However, as there are no agreed deficit recovery payments from 1 January 2023 onwards, the balance sheet liability as at 30 June 2024 is nil.

The legal structure of the scheme is such that if another Responsible Body fails, The Society of St Stephen's House could become responsible for paying a share of that failed Responsible Body's pension liabilities.

Church Workers Pension Fund (CWPF)

The Society of St Stephen's House participates in the Pension Builder Scheme section of CWPF for lay staff. CWPF is administered by the Church of England Pensions Board, which holds the CWPF assets separately from those of the Employer and other participating employers.

CWPF has two sections:
1. the Defined Benefits Scheme
2. the Pension Builder Scheme, which has two
   (a) a deferred annuity section known as Pension
   (b) a cash balance section known as Pension Builder 2014.

Pension Builder Scheme

Both sections of the Pension Builder Scheme are classed as defined benefit schemes.

Pension Builder Classic provides a pension, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Discretionary increases may also be added, depending on investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum which members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared is payable, unreduced, from age 65.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are the contributions payable.

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent valuation was carried out as at 31 December 2019. The next valuation is due as at 31 December 2022.

For the Pension Builder Classic section, the valuation revealed a deficit of £4.8m on the ongoing assumptions used. At the most recent annual review, the Board chose to grant a discretionary bonus of 10.1% following improvements in the funding position over 2022. **There is no requirement for deficit payments at the current time.**

For the Pension Builder 2014 section, the valuation revealed a surplus of £5.5m on the ongoing assumptions used. **There is no requirement for deficit payments at the current time.**

The legal structure of the scheme is such that if another employer fails, The Society of St Stephen's House could become responsible for paying a share of the failed employer's pension liabilities.

University of Oxford Staff Pension Scheme (OSPS)

The University of Oxford Staff Pension Scheme (OSPS) is a multi-employer hybrid scheme set up under trust and sponsored by the University. It is the pension scheme for support staff at the University, participating colleges and other related employers. New members joining the scheme build up benefits on a defined

The latest full actuarial valuation for the OSPS scheme was completed as at 31 March 2022. The funding position of this scheme has improved significantly moving from deficit of £113m to a surplus of £47m at the valuation date. As a result, the recovery plan agreed at the last valuation is no longer required and the

The Trustee and the University have agreed a new contribution schedule which took effect from 1 October 2023 and takes account of the benefit improvements and changes to member contributions since the last valuation date. It was agreed that the scheme will meet its own running costs from the scheme's assets,

The table below summarises the key actuarial assumptions. Further details of the assumptions are set out in the statement of funding principles dated 27 June 2023 and can be found at https://finance.admin.ox.ac.uk/osps-documents

	OSPS
Date of valuation:	31/03/2022
Value of liabilities:	£914m
Value of assets:	£961m
Funding surplus / (deficit):	£47m
Principal assumptions used by actuary:	
Rate of interest (periods up to retirement)	Gilts +2.25%
Rate of interest (periods after retirement)	Gilts +0.5%
RPI	Break-even RPI curve less
CPI	RPI inflation assumption less
Pensionable Salary increases	RPI +pa
Funding ratios:	
· Technical provisions basis	105%
· 'Buy-out' basis	62%

Non-financial assumptions:

Post-retirement mortality - base table	Non-Pensioners: 105% of standard S3PxA medium tables for both males and females Pensioners: 105% of standard S3PxA medium tables for both males and females
Post-retirement mortality - improvements	Non-Pensioners: 105% of standard S3PxA medium tables for both males and females Pensioners: 105% of standard S3PxA medium tables for both males and females
Recommended employer's contribution rate (as % of pensionable salaries):	16.5% DB for members from 01/10/2023 10% /12% /14% DC members in relation to 4% /6% /8% cost plan - from 01/10/2023
Effective date of next valuation:	31/03/2025

Pension charge for the year
The pension charge recorded by the Society during the accounting peiod (excluding pension finance costs) was equal to the contributions payable after allowance for the deficit recovery plan as follows:

Scheme	**2024**	**2023**
	£	£
CEFPS	17,390	14,610
CWPS	27,765	19,335
OSPS	33,440	46,555
Other	1,385	
Total	**79,980**	**80,500**

19 RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH FLOW FROM OPERATIONS

	2024	2023
	£	£
Net (expenditure)	(203,341)	(308,627)
Elimination of non-operating cash flows:		
Investment income	(29,888)	(34,822)
Losses in investments	(16,772)	27,258
Depreciation	248,481	228,027
Decrease in stock	327	1,098
(Increase) in debtors	(3,549)	(6,872)
Increase in creditors	(143,505)	44,184
Release of provision	(1,947)	-
Net cash (used in) operating activities	**(150,194)**	(49,754)

20 ANALYSIS OF CASH AND CASH EQUIVALENTS

	2024 £	2023 £
Cash at bank and in hand	**287,473**	417,896
Total cash and cash equivalents	**287,473**	417,896

21 RELATED PARTY TRANSACTIONS

Trustees' remuneration is disclosed in Note 16.

22 CONTINGENT LIABILITIES

On 17 July 2006 a grant to The Society of St. Stephen's House of £32,000 orginally made by The Central Board of Finance of the Church of England was assigned to The Archbishops' Council.

The grant is repayable if The Society of St Stephen's House ceases to be recognised for ordination training by the House of Bishops.

23 ADDITIONAL PRIOR YEAR COMPARATIVES

(a) Comparative Statement of Financial Activities ("SOFA")

The comparative SOFA for the year ended 30 June 2023 is presented below:

	Unrestricted Funds £	Restricted Funds £	**2023 Total £**
INCOME AND ENDOWMENTS FROM:			
Charitable activities:			
Teaching, research and residential	806,330	-	**806,330**
Donations and legacies	138,204	40,000	**178,204**
Investments			
Investment income	34,822	-	**34,822**
Other income			
Concert and other event income	129,151	-	**129,151**
Other rents	278,014	-	**278,014**
Other income	3,954	-	**3,954**
Total income	**1,390,475**	**40,000**	**1,430,475**
EXPENDITURE ON:			
Charitable activities:			
Teaching, research and residential	1,511,399	69,818	**1,581,217**
Generating funds:			
Fundraising	19,596	-	**19,596**
Trading expenditure		-	**-**
Investment management costs	-	-	**-**
Other expenditure	111,031		**111,031**
Total Expenditure	**1,642,026**	**69,818**	**1,711,844**
Net Income/(Expenditure) before gains	**(251,551)**	**(29,818)**	**(281,369)**
Net gains/(losses) on investments	(27,258)	-	(27,258)
Net Income/(Expenditure)	**(278,809)**	**(29,818)**	**(308,627)**
Transfers between funds	-	-	**-**
Other recognised gains/losses			
Gains/(losses) on revaluation of fixed assets	-	-	**-**
Actuarial gains/(losses) on defined benefit pension schemes	97,774	-	**97,774**
Net movement in funds for the year	(181,035)	(29,818)	(210,853)
Fund balances brought forward as previously stated	**15,556,560**	**325,047**	**15,881,607**
Prior year adjustment	**203,856**	**-**	**203,856**
Funds carried forward at 31 July	**15,579,381**	**295,229**	**15,874,610**

b) Comparative fund movements

The comparative movement on funds for year ended 30 June 2023:

	At 1 July 2022 £	Incoming resources £	Resources expended £	Transfers £	Gains/ (losses) £	**At 30 June 2023 £**
Restricted Funds						
Community of The Servants of the Cross	168,384	-	-	-	-	**168,384**
M Ramsey Fund	3,988	-	-	-	-	**3,988**
The Organ Fund	32,175	-	-	-	-	**32,175**
The Armorial Fund	10,100	-	-	-	-	**10,100**
The Pye Settlement	7,000	-	(2,000)	-	-	**5,000**
Summer School Fund	6,426	-	-	-	-	**6,426**
USA - St Stephen's House 'In Residence'	13,000	-	-	-	-	**13,000**
USA - Fund for Study Leave	15,000	-	-	-	-	**15,000**
USA - Fund for Graduate Studentships	41,156	-	-	-	-	**41,156**
The Edward King Centre	27,818	-	(27,818)	-	-	**-**
Academic stipend	-	40,000	(40,000)	-	-	**-**
Total Restricted Funds	325,047	40,000	(69,818)	-	-	**295,229**
Unrestricted Funds						
Designated funds	1,166,147	-	-	-	-	**1,166,147**
General funds	2,924,990	1,390,475	(1,454,202)	-	(27,258)	**2,834,005**
Revaluation reserve	11,769,000	-	(187,824)	-	-	**11,581,176**
Pension reserve	(99,721)	-	-	-	97,774	**(1,947)**
Total Unrestricted Funds	15,760,416	1,390,475	(1,642,026)	-	70,516	**15,579,381**
Total Funds	16,085,463	1,430,475	(1,711,844)	-	70,516	**15,874,610**

THE SOCIETY OF ST STEPHEN'S HOUSE

England & Wales - Charity number 1177459

Accounts

The Society of St Stephen's House

Annual report and

Financial Statements

For the year ended 30 June 2023

Charity Registration Number: 1177459

Company Registration Number: 11199178

The Society of St Stephen's House
Annual Report and Financial Statements
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The Society of St Stephen's House
Charity Information
For the year ended 30 June 2023

The Society of St Stephen's House is a registered charity and a company limited by guarantee, incorporated on 12 February 2018 and registered as a charity on the 7 March 2018. The assets and liabilities of the unincorporated charily 309693 The Society of St Stephen's House, formed by an indenture dated 16 August 1876 and enrolled in the High Court of Justice (Chancery Division), were transferred to this new charity by deed of transfer on 1 July 2018. The previous charity 309693 is now a linked charity renumbered as 1177459-1.

Charity Registration Number:	1177459
Address:	16 Marston Street Oxford OX41JX
The House Council Trustees:	All Trustees are also Directors of the Limited Company
Chairman:	The Rt Revd Dr Martin Warner * +
Vice Chairman:	Mr John Booth +
Chairman of the Finance and General Purposes Committee:	The Revd Canon Paul Armstead *
+ Life Trustees	The Rt Revd Jonathan Baker + The Revd Charles Card-Reynolds – resigned 22 September 2023 The Revd Prebendary David Houlding - resigned 1 July 2023 Edward Dobson Esq The Rt Worshipful Morag Ellis KC - appointed 8 March 2023 The Revd Canon Dr Robin Ward (Principal) (ex officio) * The Revd Andreas Wenzel (Vice-Principal) - appointed 23 October 2023 *(nominated by the Academic Staff)* * Ms Katie Harrison - appointed 8 March 2023 Mr Duncan Hegan – resigned 7 February 2023 *(nominated by the Student Common Room)* The Revd Lucy Gardner – resigned 23 October 2023 Mr William Allen - appointed 7 February 2023 *(nominated by the Student Common Room)*
In attendance at the House Council:	The Revd Lucy Gardner Mr Nicholas French (Bursar) * The Revd Christopher Trundle *(appointed General Synod)* Dr Lyanne Beckerson *(nominated by the Student Common Room)*
The Finance and General Purposes Committee:	Members marked *
Advisors:	
Bank:	Handelsbanken Oxford West Way branch Seacourt Tower, 2nd Floor West Way Botley Oxford OX2 0JJ
Solicitors :	Stone King 13 Queen Square Bath Avon BA1 2HJ
Auditors:	Wenn Townsend 30 St Giles Oxford OX1 3LE

The Trustees present their Annual Report, incorporating their Directors' Report, for the year ended 30 June 2023 under the Charities Act 2011 and Companies Act 2006 together with the audited financial statements for the year.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Charity law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing these the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards and the Charities SORP, disclosing and explaining any departures in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping accounting records that disclose, with reasonable accuracy, the financial position of the charity at any time, and to enable them to ensure that the financial statements comply with charity law. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

REFERENCE AND ADMINISTRATIVE INFORMATION

The Charity was founded in 1876 and was previously registered with the Charity Commission under Charity number 309693. On 12 February 2018, The Society of St. Stephen's House incorporated as a private company limited by guarantee and registered as a charity on 7 March 2018. The assets and liabilities were transferred from the unincorporated charity to this limited company with effect from 1 July 2018. The House Council members at the date of this report and of those in office during the year, together with details of the senior staff and advisers of the Society, are set out on page 3 of this report.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Documents

The charity is governed by its Memorandum and Articles on incorporation on 12 February 2018 as amended on 18 June 2018 and 13 November 2018.

Governing Body

The House Council, comprising all the Trustees, is the Society's governing body. It includes a staff and a student representative and is supported by non-voting staff and student members at its meetings. The House Council determines the ongoing strategic direction of the Society and regulates its administration and the management of its finances and assets. It meets each term and is advised by the Finance and General Purposes sub-committee.

New members of the House Council are appointed according to the terms set out in the Charity's Constitution for the various categories of membership, after an appropriate audit of the governance skills required.

Recruitment and training of Trustees

The Trustees bi-annually review their role and way of conducting business at a two-day Residential. Individual Trustees take on specific responsibilities for the various areas of governance and compliance with the support of the Bursar. The Principal supports the Chairman regarding Trustee recruitment and House Council membership.

Remuneration of Trustees and Senior College Staff

The Trustees receive neither remuneration nor benefits from their Trusteeship of the Society. Those Trustees who are also employees of the Society receive remuneration for their work as employees of the Society. For Academic staff this is in accordance with 'Lichfield' Scale issued annually by the Finance Committee of the Ministry Division of the Church of England. For administrative staff, this is in accordance with the relevant pay scales adopted by the House Council from those set out by the University of Oxford.

Organisational Management

The Society is managed by the House Council. The House Council is also responsible for setting and reviewing the core policies of the Society. These policies include a Safeguarding Policy incorporating the principles of the House of Bishop's Policy for safeguarding children (Protecting All God's Children, 2010) and safeguarding adults in the Church of England (Promoting a Safe Church, 2006). During 2015-16 The Society's policies were also updated to incorporate the requirements and recommendations of the Government Prevent strategy. The Health and Safety Policy is advised upon by Peninsula, and updated annually.

The work of implementing most of its policies is carried out by the Finance and General Purposes Committee, which met seven times during the financial year. The day-to-day running of the Society is delegated to the Principal, supported by his staff.

OBJECTIVES AND ACTIVITIES

Charitable Objects and Aims, Activities and Objectives

The Society's object is to fulfil its educational aims as set down in the Memorandum and Articles, being "furthering the education and training of Graduates of the Universities of Oxford and Cambridge and others preparing for Mission Work abroad or for other Ministerial work in the Church of England or the Churches in communion with the Church of England and for such other purposes as may tend to aid or further this general object."

The House Council has considered the Charity Commission's guidance on public benefit and in keeping with its objects, the Society's aims for the public benefit are to train clergy for the Anglican Communion and to enable students to pursue graduate professional training and academic research in Education, Theological Studies and such related educational activities in the University of Oxford as are consonant with the Trust Deed.

ACHIEVEMENTS AND PERFORMANCE

The Society has furthered its charitable object this year as the educational home for 102 students. 13 ordinands for the Church of England and 13 post ordination candidates have studied in a variety of ways through undergraduate and graduate courses at the University of Oxford, programmes within St Stephen’s House, and the Common Award programme validated for the Church of England by the University of Durham.

22 students have undertaken a Postgraduate Certificate in Education, and the Society has welcomed 54 full-time and part-time and continuing students from the UK and overseas studying for higher degrees in theology, education, history, and oriental studies.

FINANCIAL REVIEW

The full details of the financial performance for the year are given in the Statement of Financial Activities (SOFA) and the net assets are set out on the Balance Sheet.

Net expenditure before gains / losses for the year is £308,627 (2022: £384,311) after a charge of £187,824 for buildings depreciation charge which is set against the revaluation reserve. Income from charitable activities increased by £231,083 (40.1%) compared with the prior year as set in Note 1 to the accounts. This reflects increases across all three headings of student fees, student residential and summer schools/conferences. As shown in Note 4 to the accounts, charitable expenditure has increased by £87,853, showing a 5.9% rise on the prior year.

Donation income in the year amounted to £178,204 (2022: £239,313). The Society is grateful to the generous support of all its donors, without whom the work of the Society could not continue.

Reserves policy

The reserves policy is to maintain unrestricted reserve at a level equivalent to at least three months' operating costs. This policy is reviewed annually.

Unrestricted funds at 30 June 2023 amounted to £15,579,381 as shown in Note 13 to the accounts. However, the vast majority of these funds are tied up in tangible fixed assets and property investments (net of long term liabilities), with only £238,826 readily liquifiable at 30 June 2023 (Note 15). These readily liquifiable funds currently represent less than the target unrestricted reserve stated in the policy.

Risk management

The House Council, through the Finance and General Purposes Committee, keeps under review the major risks faced by the Society.

The risks are categorised under eight separate types with impact/probability scores for each one and a record kept of action either needed or taken to manage and mitigate these risks. The types of risk considered are in the areas of strategy, organisation, students, staff, buildings, financial control, information and IT provision, and provision of services.

At the operational level, risk assessments are used to manage the risks associated with all significant activities.

Investment policy, objectives and performance

The investment portfolio is overseen by the Finance and General Purposes committee. Funds are invested in M&G Charifund units and the investment property 23 James Street. No funds were invested nor released from M&G Charifund in the year. The value of investments held in M&G Charifund was £478,858 (2022 - £506,116).

FUTURE PLANS

The College has renegotiated its relationship with the University of Oxford following termination of the concession to use the Common Award, and has ceased to be a Permanent Private Hall of the University from 1 October 2023. Under the terms of the new agreement the College will continue to have the right to matriculate 20 students in theological subjects at the University of Oxford. The College continues to invest in extra-mural and non-resident study for students via the Edward King Centre for Pastoral Theology, and has entered a collaboration with the Royal School of Church Music to establish the Institute of Sacred Music, offering Common Award qualifications in liturgy and theology.

Approved by the House Council on 21 November 2023 and signed on its behalf by:

The Right Reverend Dr Martin Warner
Bishop of Chichester
Chairman of the Council

The Society of St Stephen's House
Independent Auditor's Report to the Members of the Society of St Stephen's House
For the year ended 30 June 2023

Opinion
We have audited the financial statements of The Society of St Stephen's House (the 'charitable company') for the year ended 30 June 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 charitable company's affairs as at 30 June 2023, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 responsibilities for the audit of the financial statements section of our report. We are independent of the charitable 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 charitable 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 Trustees' 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.

Opinions 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 (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' 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 directors' 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 directors' 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 4, 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 charitable 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor 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:

- Enquiry of management, those charged with governance and the entity's solicitors around actual and potential litigation and claims;
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the FRC's website at: https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for
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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Benjamin Hayes BSc FCA (Senior Statutory Auditor)
For and on behalf of Wenn Townsend,
Chartered Accountant, Statutory Auditor

Date:

Charity information

The Society of St Stephen's House is a registered charity and a company limited by guarantee, incorporated on 12 February 2018 and registered as a charity on the 7 March 2018 (the assets and liabilities of the unincorporated charity The Society of St Stephen's House, formed by an indenture dated 16th August 1876 and enrolled in the High Court of Justice (Chancery Division), were transferred by deed of transfer on 1 July 2018).

For assets under a Charity Commission Scheme, The Society of St Stephen's House is now the sole Trustee of that scheme and the assets under the Scheme are now under the control of this charity and included in its accounts.

Basis of Preparation

The financial statements have been prepared in accordance with United Kingdom Accounting Standards, in particular 'FRS 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and in accordance with 'The Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with FRS 102' (The Charities SORP (FRS 102)).

The financial statements have been prepared on a going concern basis and on the historical cost basis. The principal accounting policies adopted are set out below and have been applied consistently throughout the year.

Going concern

The Trustees have a high expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. In making their assessment, the Trustees have considered the impact of relinquishing PPH status within the University of Oxford from 1 October 2023. They continue to believe the going concern basis of accounting to be appropriate in preparing the annual financial statements.

Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity. Designated funds are unrestricted funds which have been either allocated or expended by the Trustees for a specified purpose.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors or which have been raised by the charity for particular purposes. The nature of each restricted fund is set out in the notes to the accounts.

Fees and other income

Students' fees, rents and educational summer school income are accounted for in the period in which the service or facilities are provided.

Voluntary income

Donations and gifts are recognised on receipt by the charity. Legacies are recognised when there is reasonable assurance of their receipt and the amount is known. Amounts received for activities restricted by the wishes of the donor are held in restricted funds.

Resources expended

Resources expended are accounted for on an accruals basis. Overhead and other costs are allocated to relevant categories by management.

Governance costs comprise costs associated with constitutional and statutory requirements.

The irrecoverable element of VAT is included within administrative overheads.

Tangible fixed assets

Land is stated at cost. Buildings and equipment are stated at fair value. Items less than £500 are charged to the income and expenditure account as incurred.

Under FRS 102, the Society has elected to use the fair value of freehold properties as a 'deemed cost'. The valuation was undertaken by an independent firm of Chartered Surveyors on 27 July 2016 on the basis of open market value on existing use.

Finance costs incurred to fund the improvements to the property have been capitalised. The amount included in the cost of the freehold property is shown in the notes to the financial statements.

Depreciation
Significant fixed assets are capitalised and depreciated over their estimated useful lives. The depreciation rates applied are as follows:

Freehold property	2% straight line
Fixtures, fittings and equipment	5% - 33.33% straight line

Buildings associated with equity sharing loans (note 12) have been included at their undepreciated fair value.

Gifted assets
Gifts of significant fixed assets are capitalised and included in the appropriate fixed asset category. The value of such assets is included in income in the period in which the gift is received.

Investments
Listed investments are valued at the middle of the bid and offer price but if only one of these is available then that price is used. Unrealised gains or losses as shown in the Statement of Financial Activities are credited or debited to the relevant fund. Income from investments is recognised when the charity becomes entitled to it.
Current asset investments are held for the short term and may be realised should the need arise.

Investment properties are stated at the market value at the balance sheet date. The Statement of Financial Activities shows net investment gains and losses arising from revaluation of the investment portfolio and disposals throughout the year.

Pension schemes
The Society participates in the Church of England Funded Pension Scheme and the Church of England Defined Benefits Scheme, part of the Church Workers Pension Fund.

The costs of retirement benefits provided to employees of the Society through the multi-employer defined pension schemes are accounted for as if these were defined contribution schemes as information is not available to use defined benefit accounting in accordance with the requirements of FRS 102. The Society's contributions to these schemes are recognised as a liability and an expense in the period in which the salaries to which the contributions relate are payable.

In addition, a liability is recognised at the balance sheet date for the discounted value of the expected future contribution payments under the agreements with these multi-employer schemes to fund the past service deficits.

The Society also participates in the University of Oxford Staff Pension Scheme. These schemes are hybrid pension schemes, providing defined benefits (for members), as well as defined contribution benefits.

The assets of the schemes are each held in a separate trustee-administered fund. Because of the mutual nature of the schemes, the assets are not attributed to individual Colleges and scheme-wide contribution rates are set. The Society is therefore exposed to actuarial risks associated with other Universities and College employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis.

As required by Section 28 of FRS 102 "Employee benefits", the Society therefore accounts for the schemes as if they were wholly defined contribution schemes. As a result, the amount charged to the profit and loss account represents the contributions payable to each scheme. Since the Society has entered into agreements (the Recovery Plans) that determine how each employer within the schemes will fund the overall deficit, the Society recognises a liability for the contributions payable that arise from the agreements (to the extent that they relate to the deficit) and therefore an expense is recognised.

The Society of St Stephen's House
Statement of Financial Activities
(including income and expenditure account)
For the year ended 30 June 2023

	Notes	Unrestricted Funds £	Restricted Funds £	**2023 Total £**	2022 Total £ As restated
INCOME AND ENDOWMENTS FROM:					
Charitable activities:					
Teaching, research and residential	1	806,330	-	**806,330**	575,247
Donations and legacies	2	138,204	40,000	**178,204**	239,315
Investments					
Investment income	3	34,822	-	**34,822**	26,269
Other income					
Concert and other event income		129,151	-	**129,151**	138,637
Other rents		278,014	-	**278,014**	259,822
Other income		3,954	-	**3,954**	-
Total income		**1,390,475**	**40,000**	**1,430,475**	1,239,290
EXPENDITURE ON:					
Charitable activities:					
Teaching, research and residential	4	1,511,399	69,818	**1,581,217**	1,493,364
Generating funds:					
Fundraising	4	19,596	-	**19,596**	22,559
Other expenditure	4	111,031		**111,031**	91,801
Total Expenditure	4	**1,642,026**	**69,818**	**1,711,844**	1,607,724
Net Income/(Expenditure) before gains		**(251,551)**	**(29,818)**	**(281,369)**	(368,434)
Net gains/(losses) on investments	9	(27,258)	-	(27,258)	(15,877)
Net Income/(Expenditure)		**(278,809)**	**(29,818)**	**(308,627)**	(384,311)
Transfers between funds	13	-	-	**-**	-
Other recognised gains/losses					
Gains/(losses) on revaluation of fixed assets		-	-	**-**	5,370
Actuarial gains/(losses) on defined benefit pension schemes		97,774	-	**97,774**	101,928
Net movement in funds for the year		(181,035)	(29,818)	(210,853)	(277,013)
Fund balances brought forward as previously stated	13	**15,556,560**	**325,047**	**15,881,607**	16,362,476
Prior year adjustment	23	**203,856**	**-**	**203,856**	-
Funds carried forward at 31 July	13	**15,579,381**	**295,229**	**15,874,610**	16,085,463

The Society of St Stephen's House
Balance Sheet
As at 30 June 2023

	Notes	2023 £	2022 £ As restated
FIXED ASSETS			
Tangible assets	7	**17,200,853**	17,425,093
Property investments	8	**994,252**	994,252
Other Investments	9	**478,858**	506,116
Total Fixed Assets		**18,673,963**	18,925,461
CURRENT ASSETS			
Stocks		**1,438**	2,536
Debtors	10	**187,736**	180,864
Cash at bank and in hand		**417,896**	436,615
Total Current Assets		**607,070**	620,015
LIABILITIES			
Creditors: Amounts falling due within one year	11	**(551,873)**	(507,689)
NET CURRENT ASSETS/(LIABILITIES)		**55,197**	112,326
TOTAL ASSETS LESS CURRENT LIABILITIES		**18,729,160**	19,037,787
CREDITORS: falling due after more than one year	12	**(2,852,603)**	(2,852,603)
NET ASSETS/(LIABILITIES) BEFORE PENSION ASSET OR LIABILITY		**15,876,557**	16,185,184
Defined benefit pension scheme liability	18	**(1,947)**	(99,721)
TOTAL NET ASSETS/(LIABILITIES)		**15,874,610**	16,085,463
FUNDS OF THE COLLEGE	13		
Restricted funds		**295,229**	325,047
Unrestricted funds			
Designated funds		**1,166,147**	1,166,147
General funds		**2,830,111**	2,924,990
Revaluation reserve		**11,581,176**	11,769,000
Pension reserve	18	**1,947**	(99,721)
		15,874,610	16,085,463

The financial statements were approved and authorised for issue by the House Council of The Society of St Stephen's House on 21 November 2023

The Right Reverend Dr Martin Warner
Bishop of Chichester
Chairman of the Council

The Society of St Stephen's House
Consolidated Statement of Cash Flows
For the year ended 30 June 2023

	Notes	2023 £	2022 £ As restated
Net cash (used in) operating activities	19	**(49,754)**	(77,357)
Cash flows from investing activities			
Dividends, interest and rents from investments		**34,822**	26,269
Purchase of property, plant and equipment		**(3,787)**	(41,185)
Net cash provided by (used in) investing activities		**31,035**	(14,916)
Change in cash and cash equivalents in the reporting period		**(18,719)**	(92,273)
Cash and cash equivalents at the beginning of the reporting period		**436,615**	528,891
Change in cash and cash equivalents due to exchange rate movements		**-**	-
Cash and cash equivalents at the end of the reporting period	20	**417,896**	436,615

1 INCOME FROM CHARITABLE ACTIVITIES

	2023	2022
Teaching, Research and Residential	**£**	£
Unrestricted funds		
Student fees	326,771	281,423
Student residential	376,819	290,938
Summer schools/conferences	102,740	2,886
Total Teaching, Research and Residential	**806,330**	**575,247**

2 DONATIONS AND LEGACIES

	2023	2022
	£	£
Donations and Legacies		
Unrestricted funds	138,204	200,315
Restricted funds	40,000	39,000
	178,204	**239,315**

3 INVESTMENT INCOME

	2023	2022
	£	£
Investment income		
Unrestricted funds	34,822	26,269
Restricted funds	-	-
	34,822	**26,269**

4 ANALYSIS OF EXPENDITURE

		2023	2022
		£	£
Charitable expenditure			
Teaching, research and residential:			
Academic, premises, catering and other direct costs		1,097,136	980,314
Domestic administration costs		224,074	227,075
Depreciation		228,027	259,133
Property loan interest and loan break costs		23,320	18,782
Governance costs	Note 5	8,660	8,060
Total charitable expenditure		1,581,217	1,493,364
Expenditure on raising funds			
Fundraising		19,596	22,559
Other costs of generating funds:			
Other rental costs		-	14,979
Concert and other event costs		111,031	76,822
Total expenditure on raising funds		130,627	114,360
Total expenditure		**1,711,844**	1,607,724

5 AUDITOR'S REMUNERATION

		2023	2022
		£	£
Governance costs:			
Auditor's remuneration - audit services		5,660	4,700
Auditor's remuneration - year end accounting services		3,000	3,360
	Note 4	8,660	8,060
Included within Domestic administration costs in Note 4:			
Auditor's remuneration - other accounting services		23,000	-
		31,660	8,060

6 STAFF COSTS

	2023	2022
The aggregate staff costs for the year were as follows.	**£**	£
Salaries and wages	**463,351**	514,523
Social security costs	**38,659**	41,033
Pension contributions	**80,500**	116,322
Pension deficit repayments	**-**	3,600
	582,510	675,478

	2023	2022
The average number of employees of the College, excluding Trustees, was as follows.		
Total	**22**	22

No employee earned over £60,000 in the year.

7 TANGIBLE FIXED ASSETS

	Freehold land and buildings	Fixtures, fittings and equipment	**Total**
	£	£	**£**
Cost or valuation			
At start of year	18,798,683	790,395	**19,589,078**
Additions	-	3,787	**3,787**
Brought forward analysis adjustment	81,088	-	**81,088**
At end of year	**18,879,771**	**794,182**	**19,673,953**
Depreciation and impairment			
At start of year	1,589,438	574,547	**2,163,985**
Charge for the year	187,824	40,203	**228,027**
Brought forward analysis adjustment	81,088	-	**81,088**
At end of year	**1,858,350**	**614,750**	**2,473,100**
Net book value			
At end of year	**17,021,421**	**179,432**	**17,200,853**
At start of year	17,209,245	215,848	**17,425,093**

On 27 July 2016, external valuers, Carter Jonas, Chartered Surveyors and Property Consultants, valued the freehold property at £18,817,000.

Their valuation was prepared in accordance with the R.I.C.S. Appraisal and Valuation Standards. For accounting purposes, the valuation was not deemed to be materially different to the value as at 30 June 2014, and hence was used to restate cost as at that date.

The historical cost of freehold land and buildings as at 30 June 2023 is £5,069,113. Annual depreciation on a historical cost basis would be £101,000.

The cost of freehold land and buildings includes finance costs capitalised of £62,850.

Buildings associated with equity sharing loans (note 12) have been included at their undepreciated fair value.

8 PROPERTY INVESTMENTS

	2023	2022
	Total	Total
	£	£
Valuation at start of year	994,252	994,252
Revaluation gains/(losses) in the year	**-**	-
Valuation at end of year	**994,252**	994,252

9 OTHER INVESTMENTS

All investments are held at fair value.

	2023	2022
	£	£
Fixed asset investments		
Valuation at start of year	**506,116**	521,992
(Decrease) in value of investments	**(27,258)**	(15,876)
Fixed asset investments at end of year	**478,858**	506,116

The investments represent units held in an UK equities fund.

10 DEBTORS

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	**123,934**	139,568
Prepayments and accrued income	**34,671**	-
Other debtors	**29,131**	41,296
	187,736	180,864

11 CREDITORS: falling due within one year

	2023	2022
	£	£
Trade creditors	**335,217**	254,671
Taxation and social security	**9,721**	14,304
Other creditors	**206,935**	238,714
	551,873	507,689

12 CREDITORS: falling due after more than one year

	2023	2022
	£	£
Church Commissioners Equity Sharing Loan	**1,222,724**	1,222,724
ACOCF loan	**1,129,879**	1,129,879
Bank loans	**500,000**	500,000
	2,852,603	2,852,603

An equity sharing loan of £187,000 was advanced by the Church Commissioners to fund 95.6% of the purchase of 36 James Street, Oxford. (The initial interest rate was 3% and moves annually in line with RPI.) The amount repayable upon the sale of the property is the greater of £167,000 and 95.6% of the sale value. The market value of the property is £1,279,000 and hence the fair value of the loan is £1,222,724. The fair value of the loan, where greater than £167,000, is therefore by definition at all times fully offset by the associated asset and does not affect the net asset value of the Society.

The ACOCF loan is a long term loan of £67,191, at a rate of 0.1% interest per annum secured on part of the property at 16 Marston Street, Oxford. On repayment, there is an additional equity share element to repay, being 33.6% of any increase in the value of the asset. This agreement was incorporated into a legal change in the current financial year and hence the loan has not been included in the financial accounts at the fair value of £1,129,879. The value of the associated asset has also been included at undepreciated fair value.

The Handelsbanken bank loan, at a fixed rate of 2.23% interest per annum, was taken out in December 2020 to fund the re-finance of 23 James Street, Oxford. The loan repayment date has been renegotiated for an additional year, to fall due on 7 December 2024.

13 ANALYSIS OF MOVEMENTS ON FUNDS

	At 1 August 2022 £ As restated	Incoming resources £	Resources expended £	Transfers £	Gains/ (losses) £	**At 31 July 2023 £**
Restricted Funds						
Community of The Servants of the Cross	168,384	-	-	-	-	**168,384**
M Ramsey Fund	3,988	-	-	-	-	**3,988**
The Organ Fund	32,175	-	-	-	-	**32,175**
The Armorial Fund	10,100	-	-	-	-	**10,100**
The Pye Settlement	7,000	-	(2,000)	-	-	**5,000**
Summer School Fund	6,426	-	-	-	-	**6,426**
USA - St Stephen's House 'In Residence'	13,000	-	-	-	-	**13,000**
USA - Fund for Study Leave	15,000	-	-	-	-	**15,000**
USA - Fund for Graduate Studentships	41,156	-	-	-	-	**41,156**
The Edward King Centre	27,818	-	(27,818)	-	-	**-**
Academic stipend	-	40,000	(40,000)	-	-	**-**
Total Restricted Funds	325,047	40,000	(69,818)	-	-	**295,229**
Unrestricted Funds						
Designated funds	1,166,147	-	-	-	-	**1,166,147**
General funds	2,924,990	1,390,475	(1,454,202)	-	(27,258)	**2,834,005**
Revaluation reserve	11,769,000	-	(187,824)	-	-	**11,581,176**
Pension reserve	(99,721)	-	-	-	97,774	**(1,947)**
Total Unrestricted Funds	15,760,416	1,390,475	(1,642,026)	-	70,516	**15,579,381**
Total Funds	16,085,463	1,430,475	(1,711,844)	-	70,516	**15,874,610**

14 FUNDS OF THE COLLEGE DETAILS

The following is a summary of the origins and purposes of each of the Funds

Restricted Funds:

M Ramsey Fund	To fund an overseas student.
The Organ Fund	For the replacement of the church organ.
The Armorial Fund	To fund armorial branding for the Society of St Stephen's House charitable company.
Community of The Servants of the Cross Fund	The capital and income of this Fund to be applied towards the funding of a scholarship for a student studying at St Stephen's House Oxford to be known as 'Community of the Servants of the Cross or CSC or JM Neale Scholarship' or to a Tutorial Fellowship at The House, to be known as 'Community of the Servants of the Cross or CSC or JM Neale Fellowship'.
The Pye Settlement	A £2,000 donation for each of 10 years to fund work carried out in the Church, and an additional £5,000 grant towards the installation of a gate.
Summer School Fund	Funds donated to support the Society educational summer school programme.
USA - St Stephen's House 'In Residence'	To fund the delivery of bespoke teaching by academics from St Stephen's House in host parishes or institutions across the United States.
USA - Fund for Study Leave	To fund clergy, academics, students, postulants and others from the United States for study leave or sabbaticals at St Stephen's House.
USA - Fund for Graduate Studentships	To enable US students to study at St Stephen's House for University of Oxford postgraduate degrees in Theology and Religion.
The Edward King Centre	To support the work of The Edward King Centre for Pastoral Theology.
Academic stipend	To support the stipend of a particular academic post.

Designated Funds

The Appeal Fund	To fund the charitable purposes of The Society of St. Stephen's House.
The 1876 Society	A membership society for alumni, friends and supporters of St. Stephen's House, with the aim of providing a community of stewardship to help support the work and future of the College. All membership fees are held in The Appeal Fund.

15 ANALYSIS OF NET ASSETS BETWEEN FUNDS

2023	Unrestricted Funds £	Restricted Funds £	**2023 Total £**
Tangible fixed assets	17,200,853	-	**17,200,853**
Property investments	994,252	-	**994,252**
Other investments	183,629	295,229	**478,858**
Net current assets	55,197	-	**55,197**
Long term liabilities	(2,852,603)	-	**(2,852,603)**
Pension scheme liabilites	(1,947)	-	**(1,947)**
	15,579,381	295,229	**15,874,610**

2022	Unrestricted Funds £	Restricted Funds £	**2022 Total £**
Tangible fixed assets	17,425,093		**17,425,093**
Property investments	949,914	44,338	**994,252**
Other investments	337,732	168,384	**506,116**
Net current assets	1	112,325	**112,326**
Long term liabilities	(2,852,603)	-	**(2,852,603)**
Pension scheme liabilities	(99,721)	-	**(99,721)**
	15,760,416	325,047	**16,085,463**

16 TRUSTEES' REMUNERATION

Neither the trustees nor persons connected with them received any remuneration from the Society, except as below.
Expenses for travel to meetings of £247 (2022: £476) and an officers' insurance (estimated apportioned cost: £2,800 plus insurance premium tax, 2022: £2,806) have been paid by the Society during the year.
The Principal and staff representative on the Council are trustees of Society but receive remuneration only for their academic roles. The amounts involved are:

	2023 £	2022 £
Principal	**47,598**	48,624
Staff representative	**26,366**	20,392

Remuneration is calculated as gross pay and employer pension contributions.

17 KEY MANAGEMENT REMUNERATION

The total remuneration paid to key management was £151,609 (2022: £172,301).

Remuneration is calculated as gross pay, employer pension contributions and employer national insurance contributions.

Key management are considered to be the Principal, Vice Principal and the Bursar.

18 PENSION SCHEMES

The College participates in three principal pension schemes for its staff – the Church of England Funded Pension Scheme (CEFPS), the Church Workers Pension Fund (CWPF) and the University of Oxford Staff Pension Scheme (OSPS).

Overview of pension provision	**2023**	2022
	£	£
		As restated
CEFPS	**-**	1,101
CWPS	**-**	-
OSPS	**(1,947)**	98,620
	(1,947)	99,721

Church of England Funded Pension Scheme (CEFPS)

The Society of St Stephen's House participates in the Church of England Funded Pensions Scheme for stipendiary clergy, a defined benefit pension scheme. This scheme is administered by the Church of England Pensions Board, which holds the assets of the scheme separately from those of the Responsible Bodies.

Each participating Responsible Body in the Church of England Funded Pensions Scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. It is not possible to attribute the Scheme's assets and liabilities to each specific Responsible Body, and this means contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year.

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out at as 31 December 2021. The 2021 valuation revealed a surplus of £560m, based on assets of £2,720m and a funding target of £2,160m, assessed using the following assumptions:

An average discount rate of 2.7% p.a.;

RPI inflation of 3.6% p.a. (and pension increases consistent

CPIH inflation in line with RPI less 0.8% pre 2030 moving to RPI with no adjustment from 2030 onwards;

Increase in pensionable stipends in line with CPIH;

Mortality in accordance with 90% of the S3NA tables, with allowance for improvements in mortality rates in line with the CMI2020 extended model with a long term annual rate of improvement of 1.5%, a smoothing parameter of 7, an initial addition to mortality improvements of 0.5% pa and an allowance for 2020 data of 0% (i.e. w2020 = 0%).

Following the 31 December 2018 valuation, a deficit recovery plan was put in place until 31 December 2022 and the deficit recovery contributions (as a percentage of pensionable stipends) were as set out in the table below. An interim reduction to deficit contributions to 3.2% of pensionable stipends was made with effect from 1 April 2022. Following finalisation of the 31 December 2021 valuation, deficit contributions ceased with effect from 1 January 2023, since the Scheme was in surplus.

As at 31 December 2020 and 31 December 2021 the deficit recovery contributions under the recovery plan in force were as set out in the table below. For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme's rules.

% of pensionable stipends	January 2018 to December 2020	January 2021 to December 2022
Deficit repair contributions	11.9%	7.1%

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. However, as there are no agreed deficit recovery payments from 1 January 2023 onwards, the balance sheet liability as at 30 June 2023 is nil.

The legal structure of the scheme is such that if another Responsible Body fails, The Society of St Stephen's House could become responsible for paying a share of that failed Responsible Body's pension liabilities.

Church Workers Pension Fund (CWPF)

The Society of St Stephen's House participates in the Pension Builder Scheme section of CWPF for lay staff. CWPF is administered by the Church of England Pensions Board, which holds the CWPF assets separately from those of the Employer and other participating employers.

CWPF has two sections:
1. the Defined Benefits Scheme
2. the Pension Builder Scheme, which has two
    (a) a deferred annuity section known as Pension
    (b) a cash balance section known as Pension Builder 2014.

Pension Builder Scheme

Both sections of the Pension Builder Scheme are classed as defined benefit schemes.

Pension Builder Classic provides a pension, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Discretionary increases may also be added, depending on investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum which members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared is payable, unreduced, from age 65.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are the contributions payable.

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent valuation was carried out as at 31 December 2019. The next valuation is due as at 31 December 2022.

For the Pension Builder Classic section, the valuation revealed a deficit of £4.8m on the ongoing assumptions used. At the most recent annual review, the Board chose to grant a discretionary bonus of 10.1% following improvements in the funding position over 2022. **There is no requirement for deficit payments at the current time.**

For the Pension Builder 2014 section, the valuation revealed a surplus of £5.5m on the ongoing assumptions used. **There is no requirement for deficit payments at the current time.**

The legal structure of the scheme is such that if another employer fails, The Society of St Stephen's House could become responsible for paying a share of the failed employer's pension liabilities.

University of Oxford Staff Pension Scheme (OSPS)

The assets of the scheme are held in separate trustee-administered funds. OSPS is a contributory mixed benefit schemes (i.e. it provide benefits on a defined benefit basis – based on length of service and pensionable salary – and on a defined contribution basis – based on contributions into the scheme). Both are multi-employer schemes and The Society of St Stephen's House is unable to identify its share of the underlying assets and liabilities relating to defined benefits of the scheme on a consistent and reasonable basis. Therefore, in accordance with the accounting standard FRS 102 paragraph 28.11, The Society of St Stephen's House accounts for the scheme as if it was a defined contribution schemes. As a result, the amount charged to the SoFA represents the contributions payable to the schemes in respect of the accounting period. In the event of the withdrawal of any of the participating employers in OSPS, the amount of any pension funding shortfall (which cannot be otherwise recovered) in respect of that employer will be spread across the remaining participating employers and reflected in the next actuarial valuation of the scheme.

Actuarial valuation - OSPS

Qualified actuaries periodically value the OSPS scheme using the 'projected unit method', embracing a market value approach. The resulting levels of contribution take account of actuarial surpluses or deficits in the scheme. The financial assumptions were derived from market conditions prevailing at the valuation date. The results of the latest actuarial valuations and the assumptions which have the most significant effect on the results were:

Date of valuation:	31/03/2022
Date valuation results published:	27/06/2023
Value of liablities:	£914m
Value of assets:	£961m
Funding surplus/(deficit):	£47m

Principal assumptions:	
- Discount rate:	a Gilts +0.5%-2.25%
- Rate of increase in salaries:	RPI
- Rate of increase in pensions:	Average RPI/CPI

Funding Ratios:	
- Technical provisions basis:	105%
- Statutory Pension Protection Fund basis:	98%
- 'Buy-out' basis:	62%
Employer contribution rate (as % of pensionable salaries):	19% down to 16.5% for DB members from 01/10/23

Effective date of next valuation:	31/03/2025

a. The discount rate for the OSPS valuation was:
Pre-retirement: Equal to the UK nominal gilt curve at the valuation date plus 2.25% p.a. at each term.
Post-retirement: Equal to the UK nominal gilt curve at the valuation date plus 0.5% p.a.at each term.

The OSPS employer contribution rates include provisions for the cost of future accrual of defined benefits, deficit contributions, administrative expenses and defined contributions.

A provision of £1,947 has been made at 30 June 2023 (2022: £98,620) for the present value of the estimated future deficit funding element of the contributions payable under these agreements, using the assumptions shown. The provision reduces as the deficit is paid off according to the pension recovery scheme.

Pension charge for the year

The pension charge recorded by the Society during the accounting peiod (excluding pension finance costs) was equal to the contributions payable after allowance for the deficit recovery plan as follows:

Scheme	**2023**	**2022**
	£	£
CEFPS	14,610	46,164
CWPS	19,335	24,512
OSPS	46,555	45,656
Total	**80,500**	**116,322**

19 RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH FLOW FROM OPERATIONS

	2023	2022
	£	£
		As restated
Net (expenditure)	(308,627)	(384,311)
Elimination of non-operating cash flows:		
Investment income	(34,822)	(26,269)
Losses in investments	27,258	15,877
Depreciation	228,027	259,133
Decrease in stock	1,098	1,250
(Increase) in debtors	(6,872)	(72,168)
Increase in creditors	44,184	129,131
Net cash (used in) operating activities	**(49,754)**	(77,357)

20 ANALYSIS OF CASH AND CASH EQUIVALENTS

	2023 £	2022 £
Cash at bank and in hand	**417,896**	436,615
Total cash and cash equivalents	**417,896**	436,615

21 RELATED PARTY TRANSACTIONS

There were no other related party transactions in the year (2022: no transactions) except for the Trustees transaction disclosed in **note 16.**

22 CONTINGENT LIABILITIES

On 17 July 2006 a grant to The Society of St. Stephen's House of £32,000 orginally made by The Central Board of Finance of the Church of England was assigned to The Archbishops' Council.

The grant is repayable if The Society of St Stephen's House ceases to be recognised for ordination training by the House of Bishops.

23 PRIOR YEAR ADJUSTMENT

An error was identified with the accounting entry for the OSPS pension provision in the accounts to 30 June 2022. The provision was overstated by £203,856. A prior year adjustment has been made to correct this error, which has resulted in an increase in reported net assets at 30 June 2022.

24 ADDITIONAL PRIOR YEAR COMPARATIVES

(a) Comparitive Statement of Financial Activities ("SOFA")

The comparative SOFA for the year ended 30 June 2022 (as restated) is presented below:

	Unrestricted Funds £	Restricted Funds £	**2022 Total £**
Charitable activities:			
Teaching, research and residential	575,247	-	**575,247**
Donations and legacies	200,315	39,000	**239,315**
Investments			
Investment income	26,269	-	**26,269**
Other income			
Concert and other event income	138,637	-	**138,637**
Other rents	259,822	-	**259,822**
	1,200,290	**39,000**	1,239,290
Charitable activities:			
Teaching, research and residential	1,484,182	9,182	**1,493,364**
Generating funds:			**-**
Fundraising	22,559	-	**22,559**
Other expenditure	91,801	-	**91,801**
	1,598,542	**9,182**	1,607,724
Net Income/(Expenditure) before gains	**(398,252)**	**29,818**	**(368,434)**
Net gains/(losses) on investments	(15,877)	-	(15,877)
Net Income/(Expenditure)	(414,129)	29,818	**(384,311)**
Transfers between funds	-	-	-
Gains/(losses) on revaluation of fixed assets	5,370	-	**5,370**
Actuarial gains/(losses) on defined benefit pension schemes	101,928	-	**101,928**
	(306,831)	29,818	(277,013)
Fund balances brought forward	**16,067,247**	**295,229**	**16,362,476**
	15,760,416	325,047	**16,085,463**

b) Comparative fund movements

The comparative movement on funds for year ended 30 June 2022 (as restated):

	At 1 August 2021	Incoming resources	Resources expended	Transfers	Gains/ (losses)	**At 31 July 2022**
	£	£	£	£	£	**£**
Restricted Funds						
Community of The Servants of the Cross	168,384	-	-	-	-	**168,384**
M Ramsey Fund	3,988	-	-	-	-	**3,988**
The Organ Fund	32,175	-	-	-	-	**32,175**
The Armorial Fund	10,100	-	-	-	-	**10,100**
The Pye Settlement	5,000	2,000	-	-	-	**7,000**
Summer School Fund	6,426	-	-	-	-	**6,426**
USA - St Stephen's House 'In Residence'	13,000	-	-	-	-	**13,000**
USA - Fund for Study Leave	15,000	-	-	-	-	**15,000**
USA - Fund for Graduate Studentships	41,156	-	-	-	-	**41,156**
Edward King Centre	-	37,000	(9,182)	-	-	**27,818**
Total Restricted Funds	295,229	39,000	(9,182)	-	-	**325,047**
Unrestricted Funds						
Designated funds	1,152,643	13,504	-	-	-	**1,166,147**
General funds	3,143,540	160,389	(378,939)	-	-	**2,924,990**
Revaluation reserve	11,972,712	-	(203,712)	-	-	**11,769,000**
Pension reserve	(201,649)	-	-	-	101,928	**(99,721)**
Total Unrestricted Funds - Group	16,067,246	173,893	(582,651)	-	101,928	**15,760,416**
Total Funds	**16,362,475**	**212,893**	**(591,833)**	**-**	**101,928**	**16,085,463**

THE SOCIETY OF ST STEPHEN'S HOUSE

England & Wales - Charity number 1177459

Accounts

The Society of St Stephen's House

Financial Statements

For the year ended 30 June 2022

Charity Registration Number: 1177459

Company Registration Number: 11199178

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The Society of St Stephen's House
Charity Information
For the year ended 30 June 2022

The Society of St Stephen's House is a registered charity and a company limited by guarantee, incorporated on 12th February 2018 and registered as a charity on the 7th March 2018. The assets and liabilities of the unincorporated charity 309693 The Society of St Stephen's House, formed by an indenture dated 16th August 1876 and enrolled in the High Court of Justice (Chancery Division), were transferred to this new charity by deed of transfer on 1st July 2018. The previous charity 309693 is now a linked charity renumbered as 1177459-1. It is disclosed as a restricted fund with a zero balance in these accounts.

Charity Registration Number:	1177459
Address:	16 Marston Street Oxford OX4 1JX
The House Council Trustees:	
	All Trustees are also Directors of the Limited Company
Chairman:	The Rt Revd Dr Martin Warner* +
Vice Chairman:	Mr John Booth +
Chairman of the Finance and General Purposes Committee:	The Revd Canon Paul Armstead*
	The Rt Revd Jonathan Baker + The Revd Charles Card-Reynolds The Revd Prebendary David Houlding* Edward Dobson Esq The Revd Canon Dr Robin Ward (Principal) (ex officio) * Mr Duncan Hegan (from February 2022) (nominated by the Student Common Room) Dr. Mark Philpott (to October 2021) (nominated by the Academic Staff) The Revd Lucy Gardner (from October 2021) (nominated by the Academic Staff) Mr Michael Dixon (to February 2022) (nominated by the Student Common Room)
+ Life trustees	
In attendance at the House Council:	
	The Revd Andreas Wenzel (Vice-Principal) Mrs Alison Parker (Bursar) (Company Secretary) * The Revd Christopher Trundle (appointed General Synod) Mr Tim Davies (from February 2022) (nominateed by the Student Common Room) Mrs Millie Day (to February 2022) (nominated by the Student Common Room)
The Finance and General Purposes Committee:	Members marked *
Advisors:	
Bank:	Handelsbanken Oxford West Way branch Seacourt Tower, 2nd Floor West Way Botley Oxford OX2 0JJ
Solicitors:	Stone King 13 Queen Square Bath Avon BA1 2HJ
Auditors:	Critchleys Audit LLP Beaver House 23-38 Hythe Bridge Street Oxford OX1 2EP

The Trustees present their Annual Report, incorporating their Directors' Report, for the year ended 30 June 2022 under the Charities Act 2011 and Companies Act 2006 together with the audited financial statements for the year.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Charity law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing these the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards and the Charities SORP, disclosing and explaining any departures in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

REFERENCE AND ADMINISTRATIVE INFORMATION

The Charity was founded in 1876 and was previously registered with the Charity Commission under Charity number 309693. On 12th February 2018, The Society of St. Stephen's House incorporated as a private company limited by guarantee and registered as a charity on 7th March 2018. The assets and liabilities were transferred from the unincorporated charity to this limited company with effect from 1st July 2018. The House Council members at the date of this report and of those in office during the year, together with details of the senior staff and advisers of the Society, are set out on page 3 of this report.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Documents

The charity is governed by its Memorandum and Articles on 12th February 2018 as amended on 18th June 2018 and 13th November 2018.

Governing Body

The House Council, comprising all the trustees, is the Society's governing body. It includes a staff and a student representative and is supported by non-voting staff and student members at its meetings.The House Council determines the ongoing strategic direction of the Society and regulates its administration and the management of its finances and assets. It meets each term and is advised by the Finance and General Purposes sub-committee.

New members of the House Council are appointed according to the terms set out in the Charity's Constitution for the various categories of membership, after an appropriate audit of the governance skills required.

Recruitment and training of Trustees
The Trustees bi-annually review their role and way of conducting business at a two-day Residential. Individual Trustees take on specific responsibilities for the various areas of governance and compliance with the support of the Bursar. The Principal supports the Chairman regarding Trustee recruitment and House Council membership.

Remuneration of Trustees and Senior College Staff
The Trustees receive neither remuneration nor benefits from their trusteeship of the Society. Those Trustees who are also employees of the Society receive remuneration for their work as employees of the Society. For Academic staff this is in accordance with 'Lichfield' Scale issued annually by the Finance Committee of the Ministry Division of the Church of England. For administrative staff, this is in accordance with the relevant pay scales adopted by the House Council from those set out by the University of Oxford.

Organisational Management
The Society is managed by the House Council. The House Council is also responsible for setting and reviewing the core policies of the Society. These policies include a Safeguarding Policy incorporating the principles of the House of Bishop's Policy for safeguarding children (Protecting All God's Children, 2010) and safeguarding adults in the Church of England. (Promoting a Safe Church, 2006). During 2015-16 The Society's policies were also updated to incorporate the requirements and recommendations of the Government Prevent strategy. The Health and Safety Policy is advised upon by Peninsula, and updated annually.

The work of implementing most of its policies is carried out by the Finance and General Purposes Committee, which met seven times during the financial year. The day to day running of the Society is delegated to the Principal, supported by his staff.

OBJECTIVES AND ACTIVITIES

Charitable Objects and Aims, Activities and Objectives
The Society's object is to fulfil its educational aims as set down in the Memorandum and Articles, being "furthering the education and training of Graduates of the Universities of Oxford and Cambridge and others preparing for Mission Work abroad or for other Ministerial work in the Church of England or the Churches in communion with the Church of England and for such other purposes as may tend to aid or further this general object."

The House Council has considered the Charity Commission's guidance on public benefit and in keeping with its objects, the Society's aims for the public benefit are to train clergy for the Anglican Communion and to enable students to pursue graduate professional training and academic research in Education, Theological Studies and such related educational activities in the University of Oxford as are consonant with the Trust Deed.

ACHIEVEMENTS AND PERFORMANCE

In furthering its charitable object this year, the Society has been the educational home for 103 students (2021 – 92 students). 17 (2021 – 19) ordinands and 3 post ordination candidates have studied in a variety of ways through undergraduate and graduate courses at the University of Oxford, programs within St. Stephen's House, and the Common Award program validated for the Church of England by the University of Durham. 24 (2021 – 24) students have undertaken a Postgraduate Certificate in Education and the Society has welcomed 62 (2021 – 49) full-time and part-time and continuing students from the UK and overseas studying for higher degrees in theology, education, oriental and late antique and Byzantine studies, psychiatry and linguistics.

FINANCIAL REVIEW

The full details of the financial performance for the year is given in the Statement of Financial Activities (SOFA) on page 14. Its assets are set out on the Balance Sheet on page 15.

Net expenditure before gains / losses for the year is £368,435 (2021 – £359,681). The deficit is largely attributable to the Covid-related cancellation of summer 2021 conference business, reduced student fees due to numbers and mix of students, costs relating to the restructuring of academic provision and the £204,607 buildings depreciation charge set against the revaluation reserve.

Donations, grants and legacy income increased to £239,313 (2021 - £215,374). The Society is grateful to the generous support of all its donors, without whom the work of the Society could not continue.

Donations and grants of £10,000 and above included in the figures above:

The Frederick Q Lawson Foundation	£72,748
The Anglo Catholic Ordination Candidates Fund	£60,000
The Fellowship of St John (UK) Trust Association	£37,000
Bishop Geoffrey Rowell - legacy	£33,000
The Cleaver Ordination Fund	£10,000
The Yves Guihannec Foundation	£10,000

The overall net movement in funds was a reduction of £480,870 (2021 - increase £19,658), the difference being attributable to movements on investment, fixed asset and pension valuations.

Reserves policy

The reserves policy is to maintain unrestricted reserves at a level equivalent to at least three months operating costs. This policy is reviewed annually.

Total funds of the Society as at 30.06.22 are £15,881,607 (2021 - £16,342,476). The prior year funds have been restated following a further revaluing of equity and loan at fair value in relation to 36 James Street. Of these funds, £325,047 (2021 - £295,229) are classified as restricted with the remainder unrestricted. Of these unrestricted funds, £1,166,147 (2021 - £1,152,643) are held in the Appeal fund - this balance, as last year, includes £45,777 of unrestricted donations designated for the future development and expansion of the delivery of the organisation's core purpose.

Risk management

The House Council, through the Finance and General Purposes Committee, keep under review the major risks faced by the Society.

The risks are categorised under eight separate types with impact / probability scores for each one and a record kept of action either needed or taken to manage and mitigate these risks. The types of risk considered are in the areas of strategy, organisation, students, staff, buildings, financial control, information and IT provision, and provision of services.

At the operational level, risk assessments are used to manage the risks associated with all significant activities.

Investment policy, objectives and performance
The investment portfolio is overseen by the Finance and General Purposes committee. Funds are invested in M&G Charifund units and the investment property 23 James Street. No funds were invested nor released from M&G Charifund in the year. The value of investments held in M&G Charifund was £506,116 (2021 – £521,992).

FUTURE PLANS

Three significant external factors continue to set the context for future plans, namely the Church of England review of its education, the Oxford University withdrawal of permission to its PPHs to offer awards accredited by other universities from academic year 2023-24 (delayed by one year) and to some extent, the reverberations of the Covid-19 pandemic.

The Society continues to develop it's work through an online presence via the Edward King Centre - three students studied for Common Awards degrees via this route in the current year and more are planned to study this way in the future.

Approved by the House Council on 18.11.22 and signed on its behalf by:

The Right Reverend Dr Martin Warner
Bishop of Chichester
Chairman of the Council

Independent auditor's report to the members of The Society of St Stephen's House

Opinion

We have audited the financial statements of The Society of St Stephen's House (the "charitable company") for the year ended 30 June 2022 which comprise the Statement of Financial Activities, the Balance Sheet, Cashflow Statement and notes to the financial statements, including significant accoounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 Charity's affairs as at 30 June 2022 and of its income and expenditure for the year 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 Charitable 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 charitable companies ability to continue as a going concern for a period of at least 12 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, including the trustees' 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 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.

Opinions 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, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
• the directors' report included within 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within 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 and proper accounting records have not been kept; or
• the financial statements are not in agreement with the accounting records and returns; or
• certain disclosures of trustees' remuneration specified by law are not made; or
• we have not obtained all the information and explanations we require for our audit.

Responsibilities of the trustees
As explained more fully in the trustees' responsibilities statement set out on page 9, the trustees (who are also 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 th 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 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 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:
Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:
•the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
•we identified the laws and regulations applicable to the charity through discussions with Trustees and other management, and from our knowledge and experience of the client's sector;
•we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including Charities Act 2011, taxation legislation, data protection, employment and pensions, planning and health and safety legislation;
•we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and, where relevant, inspecting legal correspondence; and
•identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:
• the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
• we identified the laws and regulations applicable to the charity through discussions with Trustees and other management, and from our knowledge and experience of the client's sector;
• we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including Charities Act 2011, Oxford University requirements, taxation legislation, data protection, employment and pensions, planning and health and safety legislation;
• we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and, where relevant, inspecting legal correspondence; and
• identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:
• making enquiries of Trustees and other management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
• considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations;

To address the risk of fraud through management bias and override of controls, we:
• performed analytical procedures to identify any unusual or unexpected relationships;
• tested journal entries to identify unusual transactions;
• assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
• investigated the rationale behind significant or unusual transactions;

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:
• agreeing financial statement disclosures to underlying supporting documentation;
• reading the minutes of meetings of those charged with governance;
• enquiring of management as to actual and potential litigation and claims;
• if considered necessary, reviewing correspondence with relevant regulators and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Robert Kirtland, Senior Statutory Auditor
For and on behalf of Critchleys Audit LLP
Beaver House
23-38 Hythe Bridge Street
Oxford
OX1 2EP

Date: 23/11/2022

Charity information and merger accounting

The Society of St Stephen's House is a registered charity and a company limited by guarantee, incorporated on 12th February 2018 and registered as a charity on the 7th March 2018 (the assets and liabilities of the unincorporated charity The Society of St Stephen's House, formed by an indenture dated 16th August 1876 and enrolled in the High Court of Justice (Chancery Division), were transferred by deed of transfer on 1st July 2018). This has been accounted for using merger accounting as required by the FRS 102 SORP in order to present a true and fair view.

For assets under a Charity Commission Scheme, The Society of St Stephen's House is now the sole Trustee of that scheme and the assets under the Scheme are now under the control of this charity and included in its accounts.

Under merger accounting the comparatives represent the results and financial position of the unincorporated charity (there was no activity in the charitable company limited by guarantee before then).

Basis of Preparation

The financial statements have been prepared in accordance with United Kingdom Accounting Standards, in particular 'FRS 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and in accordance with 'The Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with FRS 102' (The Charities SORP (FRS 102)).

The financial statements have been prepared on a going concern basis and on the historical cost basis.The principal accounting policies adopted are set out below and have been applied consistently throughout the year.

Going concern

Despite the deficit in the current and previous year, the charity is forecastng a surplus before buildings depreciation in 2022-23 and has sufficient reserves to continue following the Covid related disruptions to income generating activities

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Designated funds are unrestricted funds which have been either allocated or expended by the trustees for a specified purpose.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors or which have been raised by the charity for particular purposes. The nature of each restricted fund is set out in the notes to the accounts.

Fees and other income

Students' fees, rents and educational summer school income are accounted for in the period in which the service or facilities are provided.

Voluntary income

Donations and gifts are recognised on receipt by the charity. Legacies are recognised when there is reasonable assurance of their receipt and the amount is known. Amounts received for activities restricted by the wishes of the donor are held in restricted funds.

Resources expended

Resources expended are accounted for on an accruals basis. Overhead and other costs are allocated to relevant categories by management.

Governance costs comprise all costs associated with constitutional and statutory requirements. These include House Council expenses, professional advice and external audit costs.

The irrecoverable element of VAT is included within administrative overheads.

Tangible fixed assets

Land is stated at cost. Buildings and equipment are stated at fair value. Items less than £500 are charged to the income and expenditure account as incurred.

Under FRS 102, the Society has elected to use the fair value of freehold properties as a 'deemed cost'. The valuation was undertaken by an independent firm of Chartered Surveyors on 27 July 2016 on the basis of open market value on existing use.

Finance costs incurred to fund the improvements to the property have been capitalized. The amount included in the cost of the freehold property is shown in the notes to the financial statements.

Depreciation
Significant fixed assets are capitalised and depreciated over their estimated useful lives.

The depreciation rates applied are as follows:

Freehold property	2% straight line
Fixtures, fittings and equipment	5% - 33.33% straight line

Gifted assets
Gifts of significant fixed assets are capitalised and included in the appropriate fixed asset category. The value of such assets is included in income in the period in which the gift is received.

Investments
Listed investments are valued at the middle of the bid and offer price but if only one of these is available then that price is used. Unrealised gains or losses as shown in the Statement of Financial Activities are credited or debited to the relevant fund. Income from investments is recognised when the charity becomes entitled to it.
Current asset investments are held for the short term and may be realised should the need arise.

Investment properties are stated at the market value at the balance sheet date. The Statement of Financial Activities shows net investment gains and losses arising from revaluation of the investment portfolio and disposals throughout the year.

Pension schemes
The Society participates in the Church of England Funded Pension Scheme and the Church of England Defined Benefits Scheme, part of the Church Workers Pension Fund.

The costs of retirement benefits provided to employees of the Society through the multi-employer defined pension schemes are accounted for as if these were defined contribution schemes as information is not available to use defined benefit accounting in accordance with the requirements of FRS 102. The Society's contributions to these schemes are recognised as a liability and an expense in the period in which the salaries to which the contributions relate are payable.

In addition, a liability is recognised at the balance sheet date for the discounted value of the expected future contribution payments under the agreements with these multi-employer schemes to fund the past service deficits.

The Society also participates in the University of Oxford Staff Pension Scheme. These schemes are hybrid pension schemes, providing defined benefits (for members), as well as defined contribution benefits.

The assets of the schemes are each held in a separate trustee-administered fund. Because of the mutual nature of the schemes, the assets are not attributed to individual Colleges and scheme-wide contribution rates are set. The Society is therefore exposed to actuarial risks associated with other Universities and College employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis.

As required by Section 28 of FRS 102 "Employee benefits", the Society therefore accounts for the schemes as if they were wholly defined contribution schemes. As a result, the amount charged to the profit and loss account represents the contributions payable to each scheme. Since the Society has entered into agreements (the Recovery Plans) that determine how each employer within the schemes will fund the overall deficit, the Society recognises a liability for the contributions payable that arise from the agreements (to the extent that they relate to the deficit) and therefore an expense is recognised.

The Society of St Stephen's House
Statement of Financial Activities
(including Income and Expenditure account)
For the year ended 30 June 2022

	Notes	Unrestricted Funds £	Restricted Funds £	**2022 Total £**	2021 Total £
INCOME AND ENDOWMENTS FROM:					
Charitable activities					
Teaching, research and residential	1	575,247	-	**575,247**	663,450
Donations and legacies	2	200,313	39,000	**239,313**	215,374
Investments					
Investment income	3	26,269	-	**26,269**	22,831
Other income					
Concert and other event income		138,637		**138,637**	29,457
Other rents		259,822	-	**259,822**	87,459
		1,200,289	**39,000**	**1,239,289**	1,018,570
EXPENDITURE ON:					
Charitable activities					
Teaching, research and residential	4	1,484,182	9,182	**1,493,364**	1,324,247
Generating funds					
Fundraising	4	22,559	-	**22,559**	43,147
Other expenditure	4	91,801	-	**91,801**	10,858
Total Expenditure	4	**1,598,542**	**9,182**	**1,607,724**	1,378,252
Net Income/(Expenditure) before gains		**(398,253)**	**29,818**	**(368,435)**	(359,681)
Net gains/(losses) on investments	9	(15,877)	-	**(15,877)**	85,834
Net Income/(Expenditure)		**(414,130)**	**29,818**	**(384,312)**	(273,848)
Transfers between funds	13	-	-	-	-
Other recognised gains/losses					
Gains/(losses) on revaluation of fixed assets		5,370	-	**5,370**	293,506
Actuarial gains/(losses) on defined benefit pension schemes		(101,928)	-	**(101,928)**	-
Net movement in funds for the year		**(510,688)**	**29,818**	**(480,870)**	19,658
Fund balances brought forward	13	16,067,247	295,229	**16,362,476**	16,342,818
Funds carried forward at 30 June		**15,556,560**	**325,047**	**15,881,607**	16,362,476

The Society of St Stephen's House
Balance Sheet
As at 30 June 2022

	Notes	2022 £	2021 £
FIXED ASSETS			
Tangible assets	7	**17,425,093**	17,637,673
Property investments	8	**994,252**	994,252
Other Investments	9	**506,116**	521,992
Total Fixed Assets		**18,925,461**	19,153,917
CURRENT ASSETS			
Stocks		**2,535**	3,782
Debtors	10	**180,864**	108,696
Cash at bank and in hand		**436,615**	528,891
Total Current Assets		**620,014**	641,369
LIABILITIES			
Creditors: Amounts falling due within one year	11	**(507,689)**	(378,558)
NET CURRENT ASSETS		**112,325**	262,811
TOTAL ASSETS LESS CURRENT LIABILITIES		**19,037,787**	19,416,728
CREDITORS: falling due after more than one year	12	**(2,852,603)**	(2,852,603)
NET ASSETS BEFORE PENSION LIABILITY		**16,185,184**	16,564,125
Defined benefit pension scheme liability	18	**(303,577)**	(201,649)
TOTAL NET ASSETS		**15,881,607**	16,362,476
FUNDS OF THE SOCIETY			
Restricted funds		**325,047**	295,229
Unrestricted funds			
Designated funds		**1,166,147**	1,152,643
General funds		**2,924,990**	3,143,541
Revaluation reserve		**11,769,000**	11,972,712
Pension reserve	18	**(303,577)**	(201,649)
		15,881,607	16,362,476

The financial statements were approved and authorised for issue by the House Council of The Society of St Stephen's House on 18.11.22

Bishop of Chichester

Chairman

The Society of St Stephen's House
Statement of Cash Flows
For the year ended 30 June 2022

	Notes	2022 £'000	2021 £'000
Net cash provided by (used in) operating activities	19	**24,569**	(64,647)
Cash flows from investing activities			
Dividends, interest and rents from investments		**26,269**	22,831
Proceeds from the sale of property, plant and equipment		**-**	-
Purchase of property, plant and equipment		**(41,185)**	(5,977)
Purchase of investment property		**-**	-
Proceeds from sale of investments		**-**	-
Purchase of investments		**-**	-
Actuarial movement on defined benefit pension scheme		**101,928**	-
		87,012	**16,854**
Cash flows from financing activities			
Repayments of borrowing		**-**	(500,000)
Cash inflows from new borrowing		**-**	500,000
Net cash provided by (used in) financing activities		**-**	**-**
		111,580	**(47,794)**
Cash and cash equivalents at the beginning of the reporting period		**528,891**	576,685
Change in cash and cash equivalents due to exchange rate movements		**-**	-
Cash and cash equivalents at the end of the reporting period	20	**436,615**	528,891

1 INCOME FROM CHARITABLE ACTIVITIES

	2022	2021
Teaching, Research and Residential	£	£
Unrestricted funds		
Fees received	**281,423**	334,390
Student rent	**290,938**	325,502
Educational summer schools/conferences	**2,886**	3,557
	575,247	663,450
Total Teaching, Research and Residential	**575,247**	663,450

2 DONATIONS AND LEGACIES

	2022	2021
	£	£
Donations and Legacies		
Unrestricted funds	**200,313**	175,874
Restricted funds	**39,000**	39,500
	239,313	215,374

3 INVESTMENT INCOME

	2022	2021
	£	£
Dividends and interest		
Unrestricted funds	**26,269**	16,317
Restricted funds	**-**	6,514
	26,269	22,831

4 ANALYSIS OF EXPENDITURE

	Unrestricted Funds	Restricted Funds	2022	2021
			£	£
Charitable expenditure				
Teaching, research and residential:				
Academic	349,822	9,182	**359,004**	362,625
Premises	534,971		**534,971**	463,968
Catering	153,500		**153,500**	93,984
Property loan interest and loan break costs	18,782		**18,782**	25,769
Educational support	408,304		**408,304**	369,392
Bank charges	1,352		**1,352**	1,258
Bad debts	9,392		**9,392**	-
Governance costs	8,060		**8,060**	7,250
Total charitable expenditure	**1,484,182**	**9,182**	**1,493,364**	1,324,247
Expenditure on raising funds				
Fundraising	22,559		22,559	43,147
Total expenditure on raising funds	**22,559**	**-**	**22,559**	43,147
Expenditure on raising funds				
Other rental costs	14,979		14,979	1,523
Concert and other event costs	76,822		76,822	9,335
Total expenditure on raising funds	**91,801**	**-**	**91,801**	10,858
Total expenditure			**1,607,724**	1,378,252

The 2021 resources expended of £1,378,252 represented £1,344,097 from unrestricted funds, £44,155 from restricted funds.

5 ANALYSIS OF GOVERNANCE COSTS

	2022	2021
	£	£
Governance costs comprise:		
Auditor's remuneration - audit services	**4,700**	**4,250**
Auditor's remuneration - other services	**3,360**	**3,000**
Other governance costs	**-**	-
	8,060	**7,250**

No amount has been included in governance costs for the direct employment costs or reimbursed expenses of the Trustees on the basis that these payments relate to the Trustees involvement in the Society's charitable activities. Details of the remuneration of the Trustees and their reimbursed expenses are included as a separate note within these financial statements.

6 STAFF COSTS

The aggregate staff costs for the year were as follows.	**2022** £	2021 £
Salaries and wages	**514,523**	475,090
Social security costs	**41,033**	32,819
Pension contributions	**116,322**	107,286
Pension deficit repayments	**3,600**	23,802
	675,478	638,997

The average number of employees of the Society, excluding Trustees, was as follows.	**2022**	2021
Total	**22**	23

The average number of employees of the Society, excluding Trustees, on a full time equivalent basis was as follows.		
Total	**10**	10

No employee received more than £60,000 during the year.

7 TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Fixtures, fittings and equipment £	**Total £**
Cost			
At start of year	18,798,683	749,209	**19,547,892**
Additions	-	41,185	**41,185**
Disposals	-	-	**-**
At end of year	**18,798,683**	**790,395**	**19,589,078**
Depreciation and impairment			
At start of year	1,384,831	520,023	**1,904,854**
Depreciation charge for the year	204,607	54,526	**259,133**
Depreciation on disposals	-	-	**-**
At end of year	**1,589,438**	**574,549**	**2,163,987**
Net book value			
At end of year	**17,209,245**	**215,845**	**17,425,093**
At start of year	17,408,487	229,186	**17,637,673**

On 27 July 2016 external valuers Carter Jonas, Chartered Surveyors and Property Consultants, valued the freehold property at £17,658,226.
Their valuation was prepared in accordance with the R.I.C.S. Appraisal and Valuation Standards. For accounting purposes, the valuation was not deemed to be materially different to the value as at 30 June 2014, and hence was used to restate cost as at that date.

The historical cost of freehold land and buildings as at 30 June 2022 is £5,069,113.

The cost of freehold land and buildings includes finance costs capitalised of £62,850.

8 PROPERTY INVESTMENTS

	2022 Total	2021 Total
Valuation at start of year	**994,252**	994,252
Additions and improvements at cost	**-**	-
Disposals	**-**	-
Revaluation gains/(losses) in the year	**-**	-
Valuation at end of year	**994,252**	994,252

9 OTHER INVESTMENTS

All investments are held at fair value.

	2022	2021
	£	£
Fixed asset investments		
Valuation at start of year	**521,992**	436,158
New money invested	**-**	-
(Decrease)/ increase in value of investments	**(15,877)**	85,834
Fixed asset investments at end of year	**506,116**	521,992

10 DEBTORS

	2022	2021
	£	£
Amounts falling due within one year:		
Amounts receivable	**139,568**	58,915
Other debtors	**41,296**	49,781
	180,864	108,696

11 CREDITORS: falling due within one year

	2022	2021
	£	£
Amounts payable	**254,671**	189,617
Taxation and social security	**14,304**	7,242
Other creditors	**238,714**	171,699
Other loans	**-**	10,000
	507,689	378,558

The other loans balance of £10,000 represents the final four instalments of a £50,000 loan from the Church of England, at a rate of 1% over the CBF rate, to fund improvements for disabled access

12 CREDITORS: falling due after more than one year

	2022	2021
	£	£
Church Commissioners Equity Sharing Loan	**1,222,724**	1,222,724
ACOCF loan	**1,129,879**	1,129,879
Bank loans	**500,000**	500,000
	2,852,603	2,852,603

An equity sharing loan of £167,000 was advanced by the Church Commissioners to fund 95.6% of the purchase of 36 James Street, Oxford. (The initial interest rate was 3% and moves annually in line with RPI.) The amount repayable upon the sale of the property is the greater of £167,000 and 95.6% of the sale value. The market value of the property is £1,279,000 and hence the fair value of the loan is £1,222,724. The fair value of the loan where greater than £167,000 is therefore by definition at all times fully offset by the associated asset and does not affect the net asset value of the Society.

The ACOCF loan is a long term loan of £67,191, at a rate of 0.1% interest per annum secured on part of the property at 16 Marston Street, Oxford. On repayment, there is an additional equity share element to repay, being 33.6% of any increase in the value of the asset. This agreement was incorporated into a legal charge in the current financial year and hence the loan has now been included in the financial accounts at the fair value of £1,129,879. The value of the associated asset has also been included at undepreciated fair value.

The Handelsbanken bank loan, at a fixed rate of 2.23% interest per annum, was taken out in December 2020 to fund the re-finance of 23 James Street, Oxford. The loan payment date has been renegotiated to a 3 year period and therefore is due for repayment on 7 December 2023.

13 ANALYSIS OF MOVEMENTS ON FUNDS

	At 1 July 2021 £	Incoming resources £	Resources expended £	Transfers £	Gains/ (losses) £	At 30 June 2022 £
Restricted Funds						
Community of The Servants of the Cross	168,384	-	-	-	-	**168,384**
M Ramsey Fund	3,988	-	-	-	-	**3,988**
The Organ Fund	32,175	-	-	-	-	**32,175**
The Armorial Fund	10,100	-	-	-	-	**10,100**
The Pye Settlement	5,000	2,000	-	-	-	**7,000**
Summer School Fund	6,426	-	-	-	-	**6,426**
USA – St Stephen's House 'In Residence'	13,000	-	-	-	-	**13,000**
USA – Fund for Study Leave	15,000	-	-	-	-	**15,000**
USA – Fund for Graduate Studentships	41,156	-	-	-	-	**41,156**
Edward King Centre	-	37,000	(9,182)	-	-	**27,818**
Total Restricted Funds	295,229	39,000	(9,182)	-	-	325,047
Unrestricted Funds						
Designated funds	1,152,643	13,504	-	-	-	**1,166,147**
General funds	3,143,540	160,389	(378,939)	-	-	**2,924,990**
Revaluation reserve	11,972,712	-	(203,712)	-	-	**11,769,000**
Pension reserve	(201,649)	-	-	-	(101,928)	**(303,577)**
Total Unrestricted Funds - Group	16,067,247	173,893	(582,651)	-	(101,928)	15,556,560
Total Funds	16,362,476	212,893	(591,833)	-	(101,928)	15,881,607

14 FUNDS OF THE SOCIETY DETAILS

The following is a summary of the origins and purposes of each of the Funds

Restricted Funds:

M Ramsey Fund	To fund an overseas student.
The Organ Fund	For the replacement of the Church organ.
The Armorial Fund	To fund armorial branding for the Society of St. Stephen's House charitable company.
Community of The Servants of the Cross Fund	The capital and income of this Fund to be applied towards the funding of a scholarship for a student studying at St Stephen's House Oxford to be known as 'Community of the Servants of the Cross or CSC or JM Neale Scholarship' or to a Tutorial Fellowship at The House, to be known as 'Community of the Servants of the Cross or CSC or JM Neale Fellowship'.
The Pye Settlement	A £2,000 donation for each of 10 years to fund work carried out in the Church, and an additional £5,000 grant in this financial year towards the installation of a gate.
Benson Scholarship Fund	The Benson Scholarship is a bursary fund for an ordinand or potential ordinand funded by the Fellowship of St. John the Evangelist.
Summer School Fund	Funds donated to support the Society educational summer school programme.
The Society of St Stephen's House (1177459-1)	The assets and liabilities of the unincorporated charity The Society of St Stephen's House (1177459-1) were transferred to the charitable company by deed of transfer on 1st July 2018.
USA – St Stephen's House 'In Residence'	To fund the delivery of bespoke teaching by academics from St Stephen's House in host parishes or institutions across the United States.
USA – Fund for Study Leave	To fund clergy, academics, students, postulants and others from the United States for study leave or sabbaticals at St Stephen's House.
USA – Fund for Graduate Studentships	To enable US students to study at St Stephen's House for Oxford University postgraduate degrees in Theology and Religion.
The Edward King Centre	To support the work of The Edward King Centre for Pastoral Theology
Designated Funds	
The Appeal Fund	To fund the charitable purposes of The Society of St. Stephen's House.
The 1876 Society	A membership society for alumni, friends and supporters of St Stephen's House, with the aim of providing a community of stewardship to help support the work and future of the College. All membership fees are held in The Appeal Fund.

15 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	**2022 Total £**
Tangible fixed assets	17,046,592	378,501	-	**17,425,093**
Property investments	-	949,914	44,338	**994,252**
Other investments	-	337,732	168,384	**506,116**
Net current assets			112,325	**112,325**
Long term liabilities	(2,352,603)	(500,000)	-	**(2,852,603)**
Pension scheme liabilities	(303,577)	-	-	**(303,577)**
	14,390,413	1,166,147	325,047	**15,881,607**

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	**2021 Total £**
Tangible fixed assets	17,637,673	-	-	**17,637,673**
Property investments	-	994,252	-	**994,252**
Other investments	-	353,608	168,384	**521,992**
Net current assets/(liabilities)	(168,817)	304,783	126,845	**262,811**
Long term liabilities	(2,352,603)	(500,000)	-	**(2,852,603)**
Pension scheme liabilities	(201,649)	-	-	**(201,649)**
	14,914,604	1,152,643	295,229	**16,362,476**

16 TRUSTEES' REMUNERATION

Neither the trustees nor persons connected with them received any remuneration from the Society, except as below.
Expenses for travel to meetings of £476 (2021: £68) and officers insurance of £2,806 plus insurance premium tax (2021: £2,480) have been paid by the Society during the year.
The Principal and staff representative on the Council are trustees of the Society but receive remuneration only for their academic roles. The amounts involved are:

	2022 £	2021 £
Principal	**48,624**	44,853
Staff representative	**20,392**	41,191

Remuneration is calculated as gross pay and employer pension contributions.

17 KEY MANAGEMENT REMUNERATION

The total remuneration paid to key management was £172,301 (2021: £167,516).

Remuneration is calculated as gross pay, employer pension contributions and employer national insurance contributions.

Key management are considered to be the Principal, Vice Principal and the Bursar.

18 PENSION SCHEMES

Church of England Funded Pensions Scheme
The Society of St Stephen's House participates in the Church of England Funded Pensions Scheme for stipendiary clergy, a defined benefit pension scheme. This scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Responsible Bodies.

Each participating Responsible Body in the scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This means it is not possible to attribute the Scheme's assets and liabilities to each specific Responsible Body, and this means contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year plus the figures highlighted in the table below as being recognised in the SoFA, giving a total charge of £46,164 for 2022 (2021: £45,500).

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out at as 31 December 2018. The 2018 valuation revealed a deficit of £50m, based on assets of £1,818m and a funding target of £1,868m, assessed using the following assumptions:

· An average discount rate of 3.2% p.a.;

· RPI inflation of 3.4% p.a. (and pension increases consistent with this);

· Increase in pensionable stipends of 3.4% p.a.;

· Mortality in accordance with 95% of the S3NA_VL tables, with allowance for improvements in mortality rates in line with the CMI2018 extended model with a long term annual rate of improvement of 1.5%, a smoothing parameter" of 7 and an initial addition to mortality improvements of 0.5% pa.

Following the 31 December 2018 valuation, a recovery plan was put in place until 31 December 2022 and the deficit recovery contributions (as a percentage of pensionable stipends) are as set out in the table below.

% of pensionable stipends	January 2018 to December 2020	January 2021 to December 2022
Deficit repair contribution	11.9%	7.1%

As at 31 December 2017 and 31 December 2018 the deficit recovery contributions under the recovery plan in force at that time were 11.9% of pensionable stipends until December 2025.

As at 31 December 2019 and 31 December 2020 the deficit recovery contributions under the recovery plan in force were as set out in the above table.

For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme's rules.

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the balance sheet liability over 2019 and over 2020 is set out in the table below.

	2021	2020
Balance sheet liability at 1 January	13,000	10,000
Deficit contribution paid	-6,000	-8,000
Interest cost (recognised in SOFA)	-	-
Remaining change to the balance sheet liability* (recognised in SOFA)	-1,000	11,000
Balance sheet liability at 31 December	6,000	13,000

* Comprises change in agreed deficit recovery plan, and change in discount rate and assumptions between year-ends.

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions set by reference to the duration of the deficit recovery payments:

	December 2021	December 2020	December 2019
Discount rate	0.0% pa	0.2% pa	1.1% pa
Price inflation	n/a	3.1% pa	2.8% pa
Increase to total pensionable payroll	1.5% pa	1.6% pa	1.3% pa

The legal structure of the scheme is such that if another Responsible Body fails, The Society of St Stephen's House could become responsible for paying a share of that Responsible Body's pension liabilities.

18 PENSION SCHEMES (CONTINUED)

Church Workers Pension Fund
The Society of St Stephen's House (DBS) participates in the Defined Benefits Scheme section of CWPF for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

The Church Workers Pension Fund has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

Defined Benefits Scheme

The Defined Benefits Scheme ("DBS") section of the Church Workers Pension Fund provides benefits for lay staff based on final pensionable salaries.

For funding purposes, DBS is divided into sub-pools in respect of each participating employer as well as a further sub-pool, known as the Life Risk Pool. The Life Risk Pool exists to share certain risks between employers, including those relating to mortality and post-retirement investment returns.

The division of the DBS into sub-pools is notional and is for the purpose of calculating ongoing contributions. They do not alter the fact that the assets of the DBS are held as a single trust fund out of which all the benefits are to be provided. From time to time, a notional premium is transferred from employers' sub-pools to the Life Risk Pool and all pensions and death benefits are paid from the Life Risk Pool.

The scheme is a multi-employer scheme as described in Section 28 of FRS 102. It is not possible to attribute DBS assets and liabilities to specific employers, since each employer, through the Life Risk Section, is exposed to actuarial risks associated with the current and former employees of other entities participating in DBS. This means that contributions are accounted for as if DBS were a defined contribution scheme. The pensions costs charged to the SoFA during the year are contributions payable towards benefits and expenses accrued in that year of £24,512 for 2022 (2021: £20,427) plus the figures in relation to the DBS deficit highlighted in the table below as being recognised in the SoFA.

If, following an actuarial valuation of the Life Risk Pool, there is a surplus or deficit in the pool and the Actuary so recommends, further transfers may be made from the Life Risk Pool to the employers' sub-pools, or vice versa. The amounts to be transferred (and their allocation between the sub-pools) will be settled by the Church of England Pensions Board on the advice of the Actuary.

A valuation of DBS is carried out once every three years. The most recent was carried out as at 31 December 2019. In this valuation, the Life Risk Section was shown to be in deficit by £7.7m and £7.7m was notionally transferred from the employers' sub-pools to the Life Risk Section. This increased the Employer contributions that would otherwise have been payable. The overall deficit in DBS was £11.3m.
The next actuarial valuation is due at 31 December 2022.
Following the valuation, the Employer has entered into an agreement with the Church Workers Pension Fund to pay a contribution rate of 44.6% of pensionable salary and expenses of £3,600 per year. In addition deficit payments of £24,512 per year have been agreed for 0.83 years from 1 April 2021 in respect of the shortfall in the Employer sub-pool. This obligation has been recognised as a liability within the Employer's financial statements.

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the provision is set out below:

	2021	2020
Balance sheet liability at 1 January	103,000	136,000
Deficit contribution paid	-8,000	-25,000
Interest cost (recognised in SOFA)	0	2,000
Remaining change to the balance sheet liability* (recognised in SOFA)	-95,000	-10,000
Balance sheet liability at 31 December	0	103,000

* Comprises change in agreed deficit recovery plan and change in discount rate between year-ends.

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions, set by reference to the duration of the deficit recovery payments:

	December 2021	December 2020	December 2019
Discount rate	0.00%	0.40%	1.30%

The legal structure of the scheme is such that if another employer fails, the employer could become responsible for paying a share of that employer's pension liabilities.

18 PENSION SCHEMES (CONTINUED)

University Pension Scheme
The Society contractually enrols its administrative staff in the University of Oxford Staff Pension Scheme (OSPS). The assets of the scheme are held in separate trustee-administered funds. The OSPS scheme is a contributory mixed benefit schemes (i.e. they provide benefits on a defined benefit basis - based on length of service and pensionable salary and on a defined contribution basis – based on contributions into the scheme). OSPS is a multi-employer scheme and the Society is unable to identify its share of the underlying assets and liabilities relating to defined benefits of the scheme on a consistent and reasonable basis. Therefore, in accordance with the accounting standard FRS 102 paragraph 28.11, the company accounts for the scheme as if it were a defined contribution schemes. As a result, the amount charged to the Income and Expenditure Account represents the contributions payable to the schemes in respect of the accounting period. In the event of the withdrawal of any of the participating employers in OSPS, the amount of any pension funding shortfall (which cannot be otherwise recovered) in respect of that employer will be spread across the remaining participating employers and reflected in the next actuarial valuation of the scheme.

Actuarial valuations
Qualified actuaries periodically value the OSPS scheme using the 'projected unit method', embracing a market value approach. The resulting levels of contribution take account of actuarial surpluses or deficits in the scheme. The financial assumptions were derived from market conditions prevailing at the valuation date. The results of the latest actuarial valuations and the assumptions which have the most significant effect on the results were:

Date of valuation: 31/03/19
Date valuation results published: 19/06/2020
Value of liabilities: £848m
Value of assets: £753m
Funding surplus / (deficit): (£113m)

Principal assumptions:
- Discount rate: Gilts +0.5%- 2.25% a
- Rate of increase in salaries: RPI
- Rate of increase in pensions: Average RPI/CPI pa **b**

Assumed life expectancies on retirement at age 65:
- Males currently aged 65: 21.7 yrs
- Females currently aged 65: 24.4 yrs
- Males currently aged 45: 23.0 yrs
- Females currently aged 45: 25.8 yrs

Funding Ratios:
- Technical provisions basis: 87%
- Statutory Pension Protection Fund basis: 74%
- 'Buy-out' basis: 60%

Employer contribution rate (as % of pensionable salaries): 19%

Effective date of next valuation: 31/03/22

a. The discount rate for the OSPS valuation was:

Pre-retirement: Equal to the UK nominal gilt curve at the valuation date plus 2.25% p.a. at each term.
Post-retirement: Equal to the UK nominal gilt curve at the valuation date plus 0.5% p.a. at each term.

b. Increases to pensions in payment for the OSPS valuation were:

RPI inflation is derived from the geometric difference between the UK nominal gilt curve and the UK index-linked curve at the valuation date, less 0.3% p.a. at each term. CPI inflation is derived from the RPI inflation assumption, less the Scheme Actuary's best estimate of the long-term difference between RPI and CPI inflation as applies from time to time (1.0% p.a. as at 31 March 2019).

For pension increases linked to inflation, a pension increase curve is constructed based on either the RPI, CPI or the average of the RPI and CPI inflation curves described above, adjusted to allow for the different maximum and minimum annual increases that apply, and the Scheme Actuary's best estimate of inflation volatility as applies from time to time.

c. The OSPS employer contribution rates include provisions for the cost of future accrual of defined benefits, deficit contributions, administrative expenses and defined contributions.

Sensitivity of actuarial valuation assumptions
Surpluses or deficits which arise at future valuations may impact on the Society's future contribution commitment. The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Assumption	OSPS Change in assumption	Impact on OSPS technical provisions
Valuation rate of interest	decrease by 0.25%	increase by £45m
RPI	increase by 0.25%	increase by £40m

18 PENSION SCHEMES (CONTINUED)

Deficit Recovery Plans
In line with FRS 102 paragraph 28.11A, the Society has recognised a liability for the contributions payable for the agreed deficit funding plan. The principle assumptions used in these calculations are tabled below:

	OSPS
Finish Date for Deficit Recovery Plan	30/01/28
Average staff number increase	-
Average staff salary increase	2.00%
Average discount rate over period	0.74%
Effect of 0.5% change in discount rate	£1,948
Effect of 1% change in staff growth	£4,004

A provision of £98,620 has been made at 31 July 2022 (2021 £98,920) for the present value of the estimated future deficit funding element of the contributions payable under these agreements, using the assumptions shown. The provision reduces as the deficit is paid off according to the pension recovery scheme.

Pension charge for the year
The pension charge recorded by the Society during the accounting period (excluding pension finance costs) was equal to the contributions payable after allowance for the deficit recovery plan as follows:

Scheme	2022	2021
	£	£
Church of England Funded Pensions Scheme	46,164	45,500
Church Workers Pension Fund	24,512	20,427
University Pension Scheme	45,646	41,359
Total	116,322	107,286

Included in other creditors are pension contributions payable of £nil (2021: £nil).

19 RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH FLOW FROM OPERATIONS

	2022	2021
	£	£
Net income/(expenditure)	**(384,312)**	(273,848)
Elimination of non-operating cash flows:		
Investment income	**(26,269)**	(22,831)
(Gains)/losses in investments	**15,877**	(85,834)
Depreciation	**259,133**	264,555
Decrease/(Increase) in stock	**1,250**	399
Decrease/(Increase) in debtors	**(72,168)**	29,198
(Decrease)/Increase in creditors	**129,131**	43,103
(Decrease)/Increase in pension creditors	**101,928**	(19,389)
Net cash provided by (used in) operating activities	**24,569**	(64,647)

20 ANALYSIS OF CASH AND CASH EQUIVALENTS

	2022	2021
	£	£
Cash at bank and in hand	**436,615**	**528,891**
Total cash and cash equivalents	**436,615**	**528,891**

21 RELATED PARTY TRANSACTIONS

During the year donations were received by the charity from trustees and related parties totalling £nil (2021: £420).

There were no other related party transactions in the year (2021: no transactions) except for the Trustee transactions disclosed in note 16.

22 CONTINGENT LIABILITIES

On 17 July 2006 a grant to The Society of St Stephen's House of £32,000 originally made by The Central Board of Finance of the Church of England was assigned to The Archbishops' Council.

The grant is repayable if The Society of St Stephen's House ceases to be recognised for ordination training by the House of Bishops.

23 2021 STATEMENT OF FINANCIAL ACTIVITIES COMPARATIVE

	Unrestricted Funds £	Restricted Funds £	2021 Total £
INCOME AND ENDOWMENTS FROM:			
Charitable activities			
Teaching, research and residential	663,450	-	**663,450**
Donations and legacies	175,874	39,500	**215,374**
Investments			
Investment income	16,317	6,514	**22,831**
Other income			
Concert and other event income	29,457	-	**29,457**
Other rents	87,459	-	**87,459**
Total income	**972,556**	**46,014**	**1,018,570**
EXPENDITURE ON:			
Charitable activities			
Teaching, research and residential	1,280,092	44,155	**1,324,247**
Generating funds			
Fundraising	43,147	-	**43,147**
Other expenditure	10,858	-	**10,858**
Total Expenditure	**1,334,097**	**44,155**	**1,378,252**
Net income/(Expenditure) before gains	**(361,540)**	**1,859**	**(359,681)**
Net gains/(losses) on investments	85,834	-	85,834
Net income/(Expenditure)	**(275,707)**	**1,859**	**(273,848)**
Transfers between funds	(12,929)	12,929	-
Other recognised gains/losses			
Gains on revaluation of fixed assets	293,506	-	**293,506**
Actuarial gains on defined benefit pension schemes	-	-	-
Net movement in funds for the year	**4,870**	**14,788**	**19,658**
Fund balances brought forward	16,062,377	280,441	**16,342,818**
Funds carried forward at 30 June	**16,067,247**	**295,229**	**16,362,476**

THE SOCIETY OF ST STEPHEN'S HOUSE

England & Wales - Charity number 1177459

Accounts

The Society of St Stephen's House

Financial Statements

For the year ended 30 June 2021

Charity Registration Number: 1177459

Company Registration Number: 11199178

The Society of St Stephen's House
Annual Report and Financial Statements
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The Society of St Stephen's House
Charity Information
For the year ended 30 June 2021

The Society of St Stephen's House is a registered charity and a company limited by guarantee, incorporated on 12th February 2018 and registered as a charity on the 7th March 2018. The assets and liabilities of the unincorporated charity 309693 The Society of St Stephen's House, formed by an indenture dated 16th August 1876 and enrolled in the High Court of Justice (Chancery Division), were transferred to this new charity by deed of transfer on 1st July 2018. The previous charity 309693 is now a linked charity renumbered as 1177459-1. It is disclosed as a restricted fund with a zero balance in these accounts.

Charity Registration Number:	1177459
Address:	16 Marston Street Oxford OX4 1JX
The House Council Trustees:	
	All Trustees are also Directors of the Limited Company
Chairman:	The Rt Revd Dr Martin Warner* +
Vice Chairman:	Mr John Booth +
Chairman of the Finance and General Purposes Committee:	The Revd Canon Paul Armstead*
	The Rt Revd Dr Jonathan Baker + The Revd Charles Card-Reynolds The Revd Prebendary David Houlding* Gregory Jones QC (to September 2021)* The Revd Canon Timothy Pike (to September 2021) The Revd Canon Dr Robin Ward (Principal) (ex officio) * Dr Mark Philpott (to October 2021) (nominated by the Academic Staff) Dr Lindsay Dixon Mr Luke Demetri (to September 2020) (nominated by the Student Common Room) Mr Michael Dixon (from March 2021) (nominated by the Student Common Room)
+ Life trustees	The Revd Lucy Gardner (from October 2021) (nominated by the Academic Staff)
In attendance at the House Council:	
	The Revd Andreas Wenzel (from August 2020) (Vice-Principal) Mr Michael Dixon (to March 2021) (nominated by the Student Common Room) Mrs Alison Parker (Bursar) (Company Secretary) * The Venerable Luke Miller (appointed by the General Synod) Mrs Millie Day (from March 2021) (nominated by the Student Common Room)
The Finance and General Purposes Committee:	Members marked *
Advisors:	
Bank:	Handelsbanken Oxford West Way branch Seacourt Tower, 2nd Floor West Way Botley Oxford OX2 0JJ
Solicitors:	Stone King 13 Queen Square Bath Avon BA1 2HJ
Auditors:	Critchleys Audit LLP Beaver House 23-38 Hythe Bridge Street Oxford OX1 2EP

The Trustees present their Annual Report, incorporating their Directors' Report, for the year ended 30 June 2021 under the Charities Act 2011 and Companies Act 2006 together with the audited financial statements for the year.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Charity law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing these the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards and the Charities SORP, disclosing and explaining any departures in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

REFERENCE AND ADMINISTRATIVE INFORMATION

The Charity was founded in 1876 and was previously registered with the Charity Commission under Charity number 309693. On 12th February 2018, The Society of St. Stephen's House incorporated as a private company limited by guarantee and registered as a charity on 7th March 2018. The assets and liabilities were transferred from the unincorporated charity to this limited company with effect from 1st July 2018. The House Council members at the date of this report and of those in office during the year, together with details of the senior staff and advisers of the Society, are set out on page 3 of this report.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Documents

The charity is governed by its Memorandum and Articles on 12th February 2018 as amended on 18th June 2018 and 13th November 2018.

Governing Body

The House Council, comprising all the trustees, is the Society's governing body. It includes a staff and a student representative and is supported by non-voting staff and student members at its meetings.The House Council determines the ongoing strategic direction of the Society and regulates its administration and the management of its finances and assets. It meets each term and is advised by the Finance and General Purposes sub-committee.

New members of the House Council are appointed according to the terms set out in the Charity's Constitution for the various categories of membership, after an appropriate audit of the governance skills required.

Recruitment and training of Trustees
The Trustees bi-annually review their role and way of conducting business at a two-day Residential. Individual Trustees take on specific responsibilities for the various areas of governance and compliance with the support of the Bursar. The Principal supports the Chairman regarding Trustee recruitment and House Council membership.

Remuneration of Trustees and Senior College Staff
The Trustees receive neither remuneration nor benefits from their trusteeship of the Society. Those Trustees who are also employees of the Society receive remuneration for their work as employees of the Society. For Academic staff this is in accordance with 'Lichfield' Scale issued annually by the Finance Committee of the Ministry Division of the Church of England. For administrative staff, this is in accordance with the relevant pay scales adopted by the House Council from those set out by the University of Oxford.

Organisational Management
The Society is managed by the House Council. The House Council is also responsible for setting and reviewing the core policies of the Society. These policies include a Safeguarding Policy incorporating the principles of the House of Bishop's Policy for safeguarding children (Protecting All God's Children, 2010) and safeguarding adults in the Church of England. (Promoting a Safe Church, 2006). During 2015-16 the Society's policies were also updated to incorporate the requirements and recommendations of the Government Prevent strategy. The Health and Safety Policy was updated in December 2019.

The work of implementing most of its policies is carried out by the Finance and General Purposes Committee, which met six times during the financial year. The day to day running of the Society is delegated to the Principal, supported by his staff.

OBJECTIVES AND ACTIVITIES

Charitable Objects and Aims, Activities and Objectives
The Society's object is to fulfil its educational aims as set down in the Memorandum and Articles, being "furthering the education and training of Graduates of the Universities of Oxford and Cambridge and others preparing for Mission Work abroad or for other Ministerial work in the Church of England or the Churches in communion with the Church of England and for such other purposes as may tend to aid or further this general object."

The House Council has considered the Charity Commission's guidance on public benefit and in keeping with its objects, the Society's aims for the public benefit are to train clergy for the Anglican Communion and to enable students to pursue graduate professional training and academic research in Education, Theological Studies and such related educational activities in the University of Oxford as are consonant with the Trust Deed.

ACHIEVEMENTS AND PERFORMANCE

In furthering its charitable object this year, the Society has been the educational home for 92 students (2020 – 87). 19 (2020 - 20) ordinands have studied in a variety of ways through undergraduate and graduate courses at the University of Oxford, programs within St. Stephen's House and the Common Award program validated for the Church of England by the University of Durham. 24 (2020 – 25) students have undertaken a Postgraduate Certificate in Education and the Society has welcomed 49 (2020 - 42) full – time, part – time and continuing students from the UK and overseas, studying for higher degrees in theology, education, oriental and late antique and Byzantine studies, psychiatry and linguistics.

The Covid-19 pandemic continued to significantly impact the Society's activities commercially, with a suspended conference summer season, limited B&B opportunities and the beginnings of a concert program returning in Trinity Term 2021. Educationally, our PGCE students returned in Michaelmas Term 2020, followed by our ordinands and graduates in Hilary Term 2021, albeit in a socially distanced manner.

FINANCIAL REVIEW

The full details of the financial performance for the year is given in the Statement of Financial Activities (SOFA) on page 15. Its assets are set out on the Balance Sheet on page 16.

Net expenditure for the year is (£273,849) (2020 – (£9,515)). The increased deficit is largely attributable to lost activity due to Covid, with the full conference program cancelled for summer 2020, reduced student accommodation income, SJE Arts activity and B&B. Donations were also reduced compared with the prior year.

Teaching, research and residential income was down by £202,307 to £663,450 (2020 - £865,757). The key factors were a shortfall on educational conference income of £156,805 and student rents reduced by £36,543.

Donations, grants and legacy income decreased by £276,974 to £215,374 (2020 - £492,348) primarily due to the timing of significant pledges to the Appeal Fund. The Society is grateful to the generous support of all its donors, without whom the work of the Society could not continue.

Donations and grants of £10,000 and above included in the figures above:

The Frederick Q Lawson Foundation	£64,287
The Anglo Catholic Ordination Candidates Fund	£60,000
The UK Government Furlough scheme	£21,231
The Fellowship of St John (UK) Trust Association	£12,000
The Yves Guihannec Foundation	£10,000

Other Income of £116,915 (2020 - £264,892) was down by £147,977 again due primarily to the site restrictions for Michaelmas Term and the resultant loss of concert and non-student accommodation income.

The total reduction of non-donation income over the prior year was £357,458 (2021 - £803,195, 2020 - £1,160,653). This was partially offset by reduced expenditure of £188,966 (2021 – 1,368,252, 2020 – £1,557,218). The overall net movement in funds for the year was however a surplus of £93,607 (2020 – (£9,515)), due to the recovery of a substantial part of the prior year loss on investment valuations and gains on the revaluation of fixed assets.

Reserves policy
The reserves policy is to maintain unrestricted reserves at a level equivalent to at least three months operating costs. This policy is reviewed annually.

Total funds of the Society as at 30.06.21 are £16,426,426, (2020 restated - £16,342,818, 2020 original £17,405,506). The restatement is attributable to the treatment of the final equity sharing loan at fair value. Of these funds, £295,229 (2020 - £280,441) are classified as restricted with the remainder unrestricted. Of these unrestricted funds, £1,152,643 (2020 - £1,009,893) are in the designated Appeal Fund. This includes the designation of unrestricted funds of £45,777 received from The Frederick Q Lawson Foundation and The Yves Guihannec Foundation for the future development and expansion of the delivery of the organisation's core purposes

Risk management
The House Council, through the Finance and General Purposes Committee, keep under review the major risks faced by the Society.

The risks are categorised under eight separate types with impact / probability scores for each one and a record kept of action either needed or taken to manage and mitigate these risks. The types of risk considered are in the areas of strategy, organisation, students, staff, buildings, financial control, information and IT provision, and provision of services.

At the operational level, risk assessments are used to manage the risks associated with all significant activities, particularly in relation to Covid-19 activity in this year to ensure that the organisation can operate as a Covid secure organisation for the safety of its staff and students.

Investment policy, objectives and performance

The investment portfolio is overseen by the Finance and General Purposes committee. Funds are invested in M&G Charifund units and the investment property 23 James Street. No funds were invested nor released from M&G Charifund in the year. The value of investments held in M&G Charifund was up by £85,834 as at the year end, recovering a significant proportion of the prior year losses. (2021 – £521,992, 2020 - £436,159).

FUTURE PLANS

Three significant external factors continue to set the context for future plans, namely the Church of England review of its education entitled Reforming Ministerial Formation, the planned Oxford University withdrawal of permission to its PPHs to offer awards accredited by other universities from academic year 2022-23, and the reverberations of the Covid-19 pandemic.

A major initiative of the Society is the planned launch of its online presence via the Edward King Centre, which is commencing in 2021-22.

Approved by the House Council on 9.11.21 and signed on its behalf by:

The Right Reverend Dr Martin Warner
Bishop of Chichester
Chairman of the Council

+Martin Cicestr:

The Society of St Stephen's House
Independent Auditor's Report to the Members and Trustees of the Society of St Stephen's House
For the year ended 30 June 2021

We have audited the financial statements of The Society of St Stephen's House (the "Charity") for the year ended 30 June 2021 which comprise the Statement of Financial Activities, the Balance Sheet, Cashflow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Charity's Governing Body, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion, the financial statements:
- give a true and fair view of the state of the Charity's affairs as at 30 June 2021 and of its income and expenditure for the year 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 Charity 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 Trustee's 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 charity's ability to continue as a going concern for a period of at least 12 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 trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. 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.
In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions 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 (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
• the trustees' report (incorporating the strategic report and the directors' report) have 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 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:
• sufficient accounting records have not been kept;
• the financial statements are not in agreement with the accounting records and returns;
• certain disclosures of trustees' remuneration specified by law are not made; or
• we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustees
As explained more fully in the trustees' responsibilities statement set out on page 9, the trustees 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 they 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 Charity'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 Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
We have been appointed as auditor under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.
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:
Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:
•the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
•We identified the laws and regulations applicable to the charity through discussions with Trustees and other management, and from our knowledge and experience of the client's sector;
•We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including Charities Act 2011, taxation legislation, data protection, employment and pensions, planning and health and safety legislation;
•We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and, where relevant, inspecting legal correspondence; and
•Identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

Auditor's responsibilities for the audit of the financial statements

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of Trustees and other management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations;

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions;

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- if considered necessary, reviewing correspondence with relevant regulators and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities.

This description forms part of our auditor's report.

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Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with Members of the Governing Body and other management, and from our knowledge and experience of the client's sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including Charities Act 2011, Oxford University requirements, taxation legislation, data protection, employment and pensions, planning and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and, where relevant, inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:
- making enquiries of Members of Governing Body and other management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
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- enquiring of management as to actual and potential litigation and claims;
- if considered necessary, reviewing correspondence with relevant regulators and the company's legal advisors.

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

Robert Kirtland, Senior Statutory Auditor
For and on behalf of Critchleys Audit LLP
Beaver House
23-38 Hythe Bridge Street
Oxford
OX1 2EP

Date: 17 December 2021

The Society of St Stephen's House
Statement of Accounting Policies
For the year ended 30 June 2021

Charity information and merger accounting

The Society of St Stephen's House is a registered charity and a company limited by guarantee, incorporated on 12th February 2018 and registered as a charity on the 7th March 2018 (the assets and liabilities of the unincorporated charity The Society of St Stephen's House, formed by an indenture dated 16th August 1876 and enrolled in the High Court of Justice (Chancery Division), were transferred by deed of transfer on 1st July 2018). This has been accounted for using merger accounting as required by the FRS 102 SORP in order to present a true and fair view.

For assets under a Charity Commission Scheme, The Society of St Stephen's House is now the sole Trustee of that scheme and the assets under the Scheme are now under the control of this charity and included in its accounts.

Under merger accounting the comparatives represent the results and financial position of the unincorporated charity (there was no activity in the charitable company limited by guarantee before then).

Basis of Preparation

The financial statements have been prepared in accordance with United Kingdom Accounting Standards, in particular 'FRS 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and in accordance with 'The Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with FRS 102' (The Charities SORP (FRS 102)).

The financial statements have been prepared on a going concern basis and on the historical cost basis.The principal accounting policies adopted are set out below and have been applied consistently throughout the year.

Going concern

Despite the deficit in year and the predicted deficit for 2021 the Society has sufficient reserves to see it through.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Designated funds are unrestricted funds which have been either allocated or expended by the trustees for a specified purpose.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors or which have been raised by the charity for particular purposes. The nature of each restricted fund is set out in the notes to the accounts.

Fees and other income

Students' fees, rents and educational summer school income are accounted for in the period in which the service or facilities are provided.

Voluntary income

Donations and gifts are recognised on receipt by the charity. Legacies are recognised when there is reasonable assurance of their receipt and the amount is known. Amounts received for activities restricted by the wishes of the donor are held in restricted funds.

Resources expended

Resources expended are accounted for on an accruals basis. Overhead and other costs are allocated to relevant categories by management.

Governance costs comprise all costs associated with constitutional and statutory requirements. These include House Council expenses, professional advice and external audit costs.

The irrecoverable element of VAT is included within administrative overheads.

Tangible fixed assets

Land is stated at cost. Buildings and equipment are stated at fair value. Items less than £500 are charged to the income and expenditure account as incurred.

Under FRS 102, the Society has elected to use the fair value of freehold properties as a 'deemed cost'. The valuation was undertaken by an independent firm of Chartered Surveyors on 27 July 2016 on the basis of open market value on existing use.

Finance costs incurred to fund the improvements to the property have been capitalized. The amount included in the cost of the freehold property is shown in the notes to the financial statements.

Depreciation
Significant fixed assets are capitalised and depreciated over their estimated useful lives.

The depreciation rates applied are as follows:

Freehold property	2% straight line
Fixtures, fittings and equipment	5% - 33.33% straight line

Gifted assets
Gifts of significant fixed assets are capitalised and included in the appropriate fixed asset category. The value of such assets is included in income in the period in which the gift is received.

Investments
Listed investments are valued at the middle of the bid and offer price but if only one of these is available then that price is used. Unrealised gains or losses as shown in the Statement of Financial Activities are credited or debited to the relevant fund. Income from investments is recognised when the charity becomes entitled to it.
Current asset investments are held for the short term and may be realised should the need arise.

Investment properties are stated at the market value at the balance sheet date. The Statement of Financial Activities shows net investment gains and losses arising from revaluation of the investment portfolio and disposals throughout the year.

Pension schemes
The Society participates in the Church of England Funded Pension Scheme and the Church of England Defined Benefits Scheme, part of the Church Workers Pension Fund.

The costs of retirement benefits provided to employees of the Society through the multi-employer defined pension schemes are accounted for as if these were defined contribution schemes as information is not available to use defined benefit accounting in accordance with the requirements of FRS 102. The Society's contributions to these schemes are recognised as a liability and an expense in the period in which the salaries to which the contributions relate are payable.

In addition, a liability is recognised at the balance sheet date for the discounted value of the expected future contribution payments under the agreements with these multi-employer schemes to fund the past service deficits.

The Society also participates in the University of Oxford Staff Pension Scheme. These schemes are hybrid pension schemes, providing defined benefits (for members), as well as defined contribution benefits.

The assets of the schemes are each held in a separate trustee-administered fund. Because of the mutual nature of the schemes, the assets are not attributed to individual Colleges and scheme-wide contribution rates are set. The Society is therefore exposed to actuarial risks associated with other Universities and College employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis.

As required by Section 28 of FRS 102 "Employee benefits", the Society therefore accounts for the schemes as if they were wholly defined contribution schemes. As a result, the amount charged to the profit and loss account represents the contributions payable to each scheme. Since the Society has entered into agreements (the Recovery Plans) that determine how each employer within the schemes will fund the overall deficit, the Society recognises a liability for the contributions payable that arise from the agreements (to the extent that they relate to the deficit) and therefore an expense is recognised.

The Society of St Stephen's House
Statement of Financial Activities
(including Income and Expenditure account)
For the year ended 30 June 2021

	Notes	Unrestricted Funds £	Restricted Funds £	2021 Total £	Restated 2020 Total £
INCOME AND ENDOWMENTS FROM:					
Charitable activities					
Teaching, research and residential	1	663,450	-	**663,450**	865,757
Donations and legacies	2	175,874	39,500	**215,374**	492,348
Investments					
Investment income	3	16,317	6,514	**22,831**	29,874
Other income					
Concert and other event income		29,457		**29,457**	90,680
Other rents		87,459	-	**87,459**	174,212
Total income		**972,556**	**46,014**	**1,018,570**	1,652,871
EXPENDITURE ON:					
Charitable activities					
Teaching, research and residential	4	1,280,092	44,155	**1,324,247**	1,464,596
Generating funds					
Fundraising	4	43,147	-	**43,147**	23,230
Other expenditure	4	10,858	-	**10,858**	69,392
Total Expenditure	4	**1,334,097**	**44,155**	**1,378,252**	1,557,218
Net Income/(Expenditure) before gains		**(361,540)**	**1,859**	**(359,681)**	95,653
Net gains/(losses) on investments	9	85,834	-	**85,834**	(105,168)
Net Income/(Expenditure)		**(275,707)**	**1,859**	**(273,848)**	(9,515)
Transfers between funds	13	(12,929)	12,929	**-**	-
Other recognised gains/losses					
Gains/(losses) on revaluation of fixed assets		357,456	-	**357,456**	-
Actuarial gains/(losses) on defined benefit pension schemes		-	-	**-**	-
Net movement in funds for the year		**68,820**	**14,788**	**83,608**	(9,515)
Fund balances brought forward	13	16,062,377	280,441	**16,342,818**	16,352,333
Funds carried forward at 30 June		**16,131,197**	**295,229**	**16,426,426**	16,342,818

The Society of St Stephen's House
Balance Sheet
As at 30 June 2021

Company Registration Number: 11199178

	Notes	2021 £	Restated 2020 £
FIXED ASSETS			
Tangible assets	7	**17,637,673**	17,538,791
Property investments	8	**994,252**	994,252
Other Investments	9	**521,992**	436,159
Total Fixed Assets		**19,153,917**	18,969,202
CURRENT ASSETS			
Stocks		**3,782**	4,181
Debtors	10	**108,696**	137,894
Cash at bank and in hand		**528,891**	576,686
Total Current Assets		**641,369**	718,761
LIABILITIES			
Creditors: Amounts falling due within one year	11	**(378,558)**	(825,455)
NET CURRENT ASSETS / (LIABAILITIES)		**262,811**	(106,694)
TOTAL ASSETS LESS CURRENT LIABILITIES		**19,416,728**	18,862,508
CREDITORS: falling due after more than one year	12	**(2,788,653)**	(2,298,653)
NET ASSETS BEFORE PENSION ASSET OR LIABILITY		**16,628,075**	16,563,855
Defined benefit pension scheme liability	18	**(201,649)**	(221,037)
TOTAL NET ASSETS		**16,426,426**	16,342,818
FUNDS OF THE SOCIETY			
Restricted funds		**295,229**	280,441
Unrestricted funds			
Designated funds		**1,152,643**	1,009,893
General funds		**3,207,491**	3,454,553
Revaluation reserve		**11,972,712**	11,818,968
Pension reserve	18	**(201,649)**	(221,037)
		16,426,426	16,342,818

The financial statements were approved and authorised for issue by the House Council of The Society of St Stephen's House on 19.11.21

+Martin Cicester:

Bishop of Chichester

Chairman

The Society of St Stephen's House
Consolidated Statement of Cash Flows
For the year ended 30 June 2021

	Notes	2021 £'000	2020 £'000
Net cash provided by (used in) operating activities	19	**(64,647)**	300,284
Cash flows from investing activities			
Dividends, interest and rents from investments		**22,831**	29,874
Proceeds from the sale of property, plant and equipment		**-**	-
Purchase of property, plant and equipment		**(5,977)**	(16,240)
Purchase of investment property		**-**	-
Proceeds from sale of investments		**-**	-
Purchase of investments		**-**	-
		16,854	**13,634**
Cash flows from financing activities			
Repayments of borrowing		**(500,000)**	(10,000)
Cash inflows from new borrowing		**500,000**	-
Net cash provided by (used in) financing activities		**-**	**(10,000)**
Change in cash and cash equivalents in the reporting period		**(47,793)**	**303,918**
Cash and cash equivalents at the beginning of the reporting period		**576,685**	272,768
Change in cash and cash equivalents due to exchange rate movements		**-**	-
Cash and cash equivalents at the end of the reporting period	20	**528,891**	576,686

1 INCOME FROM CHARITABLE ACTIVITIES

	2021	2020
	£	£
Teaching, Research and Residential		
Unrestricted funds		
Fees received	**334,390**	343,350
Student rent	**325,502**	362,045
Educational summer schools/conferences	**3,557**	160,362
	663,450	865,757
Total Teaching, Research and Residential	**663,450**	865,757

2 DONATIONS AND LEGACIES

	2021	2020
	£	£
Donations and Legacies		
Unrestricted funds	**175,874**	419,116
Restricted funds	**39,500**	73,232
	215,374	492,348

3 INVESTMENT INCOME

	2021	2020
	£	£
Dividends and interest		
Unrestricted funds	**16,317**	13,662
Restricted funds	**6,514**	16,212
	22,831	29,874

4 ANALYSIS OF EXPENDITURE

	Unrestricted Funds	Restricted Funds	2021 £	2020 £
Charitable expenditure				
Teaching, research and residential:	-			
Academic*	320,470	42,155	**362,625**	249,872
Premises	461,968	2,000	**463,968**	564,761
Catering	93,984		**93,984**	112,655
Property loan interest and loan break costs	25,769		**25,769**	25,676
Educational support	369,392		**369,392**	502,326
Bank charges	1,258		**1,258**	1,774
Bad debts	-		**-**	582
Governance costs	7,250		**7,250**	6,950
Total charitable expenditure	**1,280,092**	**44,155**	**1,324,247**	1,464,596
Expenditure on raising funds				
Fundraising	43,147		43,147	23,230
Total expenditure on raising funds	**43,147**	**-**	**43,147**	23,230
Expenditure on raising funds				
Other rental costs	1,523		1,523	19,875
Concert and other event costs	9,335		9,335	49,517
Total expenditure on raising funds	**10,858**	**-**	**10,858**	69,392
Total expenditure			**1,378,252**	1,557,218

The 2020 resources expended of £1,557,210 represented £1,502,631 from unrestricted funds, £54,587 from restricted funds.

* These costs include the overall movement on the pension deficit during the year which has decreased by £19,388 (2020: £70,214 increase) across the three pension schemes.

5 ANALYSIS OF GOVERNANCE COSTS

	2021	2020
	£	£
Governance costs comprise:		
Auditor's remuneration - audit services	**4,250**	4,100
Auditor's remuneration - other services	**3,000**	2,850
Other governance costs	**-**	-
	7,250	6,950

No amount has been included in governance costs for the direct employment costs or reimbursed expenses of the Trustees on the basis that these payments relate to the Trustees involvement in the Society's charitable activities. Details of the remuneration of the Trustees and their reimbursed expenses are included as a separate note within these financial statements.

6 STAFF COSTS

The aggregate staff costs for the year were as follows.	2021 £	2020 £
Salaries and wages	475,090	487,893
Social security costs	32,819	34,295
Pension contributions	107,286	104,039
Pension deficit repayments	23,802	27,812
	638,997	654,039

The average number of employees of the Society, excluding Trustees, was as follows.	2021	2020
Total	23	26

The average number of employees of the Society, excluding Trustees, on a full time equivalent basis was as follows.

Total	10	13

No employee received more than £60,000 during the year.

7 TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Fixtures, fittings and equipment £	Total £
Cost			
At start of year	18,798,683	743,233	**19,541,916**
Additions	-	5,977	**5,977**
Disposals	-	-	**-**
At end of year	**18,798,683**	**749,210**	**19,547,893**
Depreciation and impairment			
At start of year	1,186,489	459,180	**1,645,669**
Depreciation charge for the year	203,712	60,843	**264,555**
Depreciation on disposals	-	-	**-**
At end of year	**1,390,201**	**520,023**	**1,910,224**
Net book value			
At end of year	**17,408,482**	**229,187**	**17,637,673**
At start of year	17,612,194	284,053	**17,896,247**

On 27 July 2016 external valuers Carter Jonas, Chartered Surveyors and Property Consultants, valued the freehold property at £17,658,226.
Their valuation was prepared in accordance with the R.I.C.S. Appraisal and Valuation Standards. For accounting purposes, the valuation was not deemed to be materially different to the value as at 30 June 2014, and hence was used to restate cost as at that date.

The historical cost of freehold land and buildings as at 30 June 2021 is £5,069,113.

The cost of freehold land and buildings includes finance costs capitalised of £62,850.

8 PROPERTY INVESTMENTS

	2021 Total	2020 Total
Valuation at start of year	994,252	994,252
Additions and improvements at cost	-	-
Disposals	-	-
Revaluation gains/(losses) in the year	-	-
Valuation at end of year	**994,252**	**994,252**

9 OTHER INVESTMENTS

All investments are held at fair value.

	2021	2020
	£	£
Fixed asset investments		
Valuation at start of year	**436,158**	541,326
New money invested	**-**	-
Increase/ (Decrease) in value of investments	**85,834**	(105,168)
Fixed asset investments at end of year	**521,992**	436,158

10 DEBTORS

	2021	2020
	£	£
Amounts falling due within one year:		
Amounts receivable	**58,915**	52,529
Other debtors	**49,781**	85,365
	108,696	137,894

11 CREDITORS: falling due within one year

	2021	2020
	£	£
Amounts payable	**189,617**	195,411
Taxation and social security	**7,242**	11,524
Other creditors	**171,699**	108,520
Other loans	**10,000**	510,000
	378,558	825,455

The £500,000 short term loan represented a three year bank loan facility falling due on 12 December 2020. This was refinanced with a new facility falling due in December 2023

The other loans balance of £10,000 represents the final four instalments of a £50,000 loan from the Church of England, at a rate of 1% over the CBF rate, to fund improvements for disabled access

12 CREDITORS: falling due after more than one year

	2021	2020
	£	£
Church Commissioners Equity Sharing Loan	**1,158,774**	1,158,774
ACOCF loan	**1,129,879**	1,129,879
Bank loans	**500,000**	-
Other loans	**-**	10,000
	2,788,653	2,298,653

An equity sharing loan of £167,000 was advanced by the Church Commissioners to fund 90.6% of the purchase of 36 James Street, Oxford. (The initial interest rate was 3% and moves annually in line with RPI.) The amount repayable upon the sale of the property is the greater of £167,000 and 90.6% of the sale value. The market value of the property is £1,279,000 and hence the fair value of the loan is £1,158,774. The fair value of the loan where greater than £167,000 is therefore by definition at all times fully offset by the associated asset and does not affect the net asset value of the Society.

The ACOCF loan is a long term loan of £67,191, at a rate of 0.1% interest per annum secured on part of the property at 16 Marston Street, Oxford. On repayment, there is an additional equity share element to repay, being 33.6% of any increase in the value of the asset. This agreement was incorporated into a legal charge in the current financial year and hence the loan has now been included in the financial accounts at the fair value of £1,129,879. The value of the associated asset has also been included at undepreciated fair value.

The Handelsbanken bank loan, at a fixed rate of 2.23% interest per annum, was taken out in December 2020 to fund the re-finance of 23 James Street, Oxford. The loan payment date has been renegotiated to a 3 year period and therefore is due for repayment on 7 December 2023.

13 ANALYSIS OF MOVEMENTS ON FUNDS

	At 1 July 2020 £	Incoming resources £	Resources expended £	Transfers £	Gains/ (losses) £	At 30 June 2021 £
Restricted Funds						
Community of The Servants of the Cross	179,096	6,514	(30,155)	12,929	-	**168,384**
M Ramsey Fund	3,988	-	-	-	-	**3,988**
The Organ Fund	32,175	-	-	-	-	**32,175**
The Armorial Fund	10,100	-	-	-	-	**10,100**
The Pye Settlement	5,000	2,000	(2,000)	-	-	**5,000**
Benson Scholarship Fund	-	12,000	(12,000)	-	-	**-**
Summer School Fund	6,426	-	-	-	-	**6,426**
The Society of St Stephen's House (1177459-1)	-	-	-	-	-	**-**
USA – St Stephen's House 'In Residence'	12,500	500	-	-	-	**13,000**
USA – Fund for Study Leave	15,000		-	-	-	**15,000**
USA – Fund for Graduate Studentships	16,156	25,000	-	-	-	**41,156**
Total Restricted Funds	280,441	46,014	(44,155)	12,929	-	295,229
Unrestricted Funds						
Designated funds	1,009,893	58,811	-	83,939	-	**1,152,643**
General funds	3,454,553	-	(143,681)	(103,382)	-	**3,207,490**
Revaluation reserve	11,818,968	357,456	(203,712)	-	-	**11,972,712**
Pension reserve	(221,037)	19,388	-	-	-	**(201,649)**
Total Unrestricted Funds - Group	16,062,377	435,655	(347,393)	(19,443)	-	16,131,196
Total Funds	16,342,818	481,669	(391,548)	(6,514)	-	16,426,426

14 FUNDS OF THE SOCIETY DETAILS

The following is a summary of the origins and purposes of each of the Funds

Restricted Funds:

M Ramsey Fund	To fund an overseas student.
The Organ Fund	For the replacement of the Church organ.
The Armorial Fund	To fund armorial branding for the Society of St. Stephen's House charitable company.
Community of The Servants of the Cross Fund	The capital and income of this Fund to be applied towards the funding of a scholarship for a student studying at St Stephen's House Oxford to be known as 'Community of the Servants of the Cross or CSC or JM Neale Scholarship' or to a Tutorial Fellowship at The House, to be known as 'Community of the Servants of the Cross or CSC or JM Neale Fellowship'.
The Pye Settlement	A £2,000 donation for each of 10 years to fund work carried out in the Church, and an additional £5,000 grant in this financial year towards the installation of a gate.
Benson Scholarship Fund	The Benson Scholarship is a bursary fund for an ordinand or potential ordinand funded by the Fellowship of St. John the Evangelist.
Summer School Fund	Funds donated to support the Society educational summer school programme.
The Society of St Stephen's House (1177459-1)	The assets and liabilities of the unincorporated charity The Society of St Stephen's House (1177459-1) were transferred to the charitable company by deed of transfer on 1st July 2018.
USA – St Stephen's House 'In Residence'	To fund the delivery of bespoke teaching by academics from St Stephen's House in host parishes or institutions across the United States.
USA – Fund for Study Leave	To fund clergy, academics, students, postulants and others from the United States for study leave or sabbaticals at St Stephen's House.
USA – Fund for Graduate Studentships	To enable US students to study at St Stephen's House for Oxford University postgraduate degrees in Theology and Religion.
Designated Funds	
The Appeal Fund	To fund the charitable purposes of The Society of St. Stephen's House.
The 1876 Society	A membership society for alumni, friends and supporters of St Stephen's House, with the aim of providing a community of stewardship to help support the work and future of the College. All membership fees are held in The Appeal Fund.

15 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	**2021 Total £**
Tangible fixed assets	17,637,673	-	-	**17,637,673**
Property investments	-	994,252	-	**994,252**
Other investments	-	353,608	168,384	**521,992**
Net current assets/(liabilities)	(168,817)	304,783	126,845	**262,811**
Long term liabilities	(2,288,653)	(500,000)	-	**(2,788,653)**
Pension scheme liabilities	(201,649)	-	-	**(201,649)**
	14,978,554	1,152,643	295,229	**16,426,426**

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	**2020 Total £**
Tangible fixed assets	17,538,791	-	-	**17,538,791**
Property investments	-	994,252	-	**994,252**
Other investments	-	257,063	179,096	**436,159**
Net current assets	33,383	(241,422)	101,345	**(106,694)**
Long term liabilities	(2,298,653)	-	-	**(2,298,653)**
Pension scheme liabilities	(221,037)	-	-	**(221,037)**
	16,115,172	1,009,893	280,441	**16,342,818**

16 TRUSTEES' REMUNERATION

Neither the trustees nor persons connected with them received any remuneration from the Society, except as below.
Expenses for travel to meetings of £68 (2020: £536) and officers insurance of £2,480 plus insurance premium tax (2020: £2,480) have been paid by the Society during the year.
The Principal and staff representative on the Council are trustees of the Society but receive remuneration only for their academic roles. The amounts involved are:

	2021 £	2020 £
Principal	**44,853**	43,472
Staff representative	**41,191**	40,519

Remuneration is calculated as gross pay and employer pension contributions.

17 KEY MANAGEMENT REMUNERATION

The total remuneration paid to key management was £167,516 (2020: £108,086).

Remuneration is calculated as gross pay, employer pension contributions and employer national insurance contributions.

Key management are considered to be the Principal, Vice Principal and the Bursar (2020 - The Principal and The Bursar).

18 PENSION SCHEMES

Church of England Funded Pensions Scheme
The Society of St Stephen's House participates in the Church of England Funded Pensions Scheme for stipendiary clergy, a defined benefit pension scheme. This scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Responsible Bodies.

Each participating Responsible Body in the scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This means it is not possible to attribute the Scheme's assets and liabilities to each specific Responsible Body, and this means contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year plus the figures highlighted in the table below as being recognised in the SoFA, giving a total charge of £45,500 for 2021 (2020: £37,787).

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out at as 31 December 2018. The 2018 valuation revealed a deficit of £50m, based on assets of £1,818m and a funding target of £1,868m, assessed using the following assumptions:

· An average discount rate of 3.2% p.a.;

· RPI inflation of 3.4% p.a. (and pension increases consistent with this);

· Increase in pensionable stipends of 3.4% p.a.;

· Mortality in accordance with 95% of the S3NA_VL tables, with allowance for improvements in mortality rates in line with the CMI2018 extended model with a long term annual rate of improvement of 1.5%, a smoothing parameter* of 7 and an initial addition to mortality improvements of 0.5% pa.

Following the 31 December 2018 valuation, a recovery plan was put in place until 31 December 2022 and the deficit recovery contributions (as a percentage of pensionable stipends) are as set out in the table below.

% of pensionable stipends	January 2018 to December 2020	January 2021 to December 2022
Deficit repair contribution	11.9%	7.1%

As at 31 December 2017 and 31 December 2018 the deficit recovery contributions under the recovery plan in force at that time were 11.9% of pensionable stipends until December 2025.

As at 31 December 2019 and 31 December 2020 the deficit recovery contributions under the recovery plan in force were as set out in the above table.

For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme's rules.

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the balance sheet liability over 2019 and over 2020 is set out in the table below.

	2020	2019
Balance sheet liability at 1 January	10,000	68,000
Deficit contribution paid	-8,000	-10,000
Interest cost (recognised in SOFA)	-	1,000
Remaining change to the balance sheet liability* (recognised in SOFA)	11,000	-49,000
Balance sheet liability at 31 December	13,000	10,000

* Comprises change in agreed deficit recovery plan, and change in discount rate and assumptions between year-ends.

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions set by reference to the duration of the deficit recovery payments:

	December 2020	December 2019	December 2018
Discount rate	0.2% pa	1.1% pa	2.1% pa
Price inflation	3.1% pa	2.8% pa	3.1% pa
Increase to total pensionable payroll	1.6% pa	1.3% pa	1.6% pa

The legal structure of the scheme is such that if another Responsible Body fails, The Society of St Stephen's House could become responsible for paying a share of that Responsible Body's pension liabilities.

18 PENSION SCHEMES (CONTINUED)

Church Workers Pension Fund

The Society of St Stephen's House (DBS) participates in the Defined Benefits Scheme section of CWPF for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

The Church Workers Pension Fund has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

Defined Benefits Scheme

The Defined Benefits Scheme ("DBS") section of the Church Workers Pension Fund provides benefits for lay staff based on final pensionable salaries.

For funding purposes, DBS is divided into sub-pools in respect of each participating employer as well as a further sub-pool, known as the Life Risk Pool. The Life Risk Pool exists to share certain risks between employers, including those relating to mortality and post-retirement investment returns.

The division of the DBS into sub-pools is notional and is for the purpose of calculating ongoing contributions. They do not alter the fact that the assets of the DBS are held as a single trust fund out of which all the benefits are to be provided. From time to time, a notional premium is transferred from employers' sub-pools to the Life Risk Pool and all pensions and death benefits are paid from the Life Risk Pool.

The scheme is a multi-employer scheme as described in Section 28 of FRS 102. It is not possible to attribute DBS assets and liabilities to specific employers, since each employer, through the Life Risk Section, is exposed to actuarial risks associated with the current and former employees of other entities participating in DBS. This means that contributions are accounted for as if DBS were a defined contribution scheme. The pensions costs charged to the SoFA during the year are contributions payable towards benefits and expenses accrued in that year of £20,427 for 2021 (2020: £15,657) plus the figures in relation to the DBS deficit highlighted in the table below as being recognised in the SoFA.

If, following an actuarial valuation of the Life Risk Pool, there is a surplus or deficit in the pool and the Actuary so recommends, further transfers may be made from the Life Risk Pool to the employers' sub-pools, or vice versa. The amounts to be transferred (and their allocation between the sub-pools) will be settled by the Church of England Pensions Board on the advice of the Actuary.

A valuation of DBS is carried out once every three years. The most recent was carried out as at 31 December 2016. In this valuation, the Life Risk Section was shown to be in deficit by £2.6m and £2.6m was notionally transferred from the employers' sub-pools to the Life Risk Section. This increased the Employer contributions that would otherwise have been payable. The overall deficit in DBS was £26.2m.
A valuation as at 31 December 2019 was under way as at 31 December 2020. The contributions agreed at that valuation will be reflected in the figures disclosed in the 2021 accounts.
Following the valuation, the Employer has entered into an agreement with the Church Workers Pension Fund to pay a contribution rate of 41.2% of pensionable salary and expenses of £3,300 per year. In addition deficit payments of £24,512 per year have been agreed for 7.00 years from 1 April 2018 in respect of the shortfall in the Employer sub-pool. This obligation has been recognised as a liability within the Employer's financial statements.

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the provision is set out below:

	2020	2019
Balance sheet liability at 1 January	136,000	142,000
Deficit contribution paid	-25,000	-25,000
Interest cost (recognised in SOFA)	2,000	3,000
Remaining change to the balance sheet liability* (recognised in SOFA)	-10,000	16,000
Balance sheet liability at 31 December	103,000	136,000

* Comprises change in agreed deficit recovery plan and change in discount rate between year-ends.

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions, set by reference to the duration of the deficit recovery payments:

	December 2020	December 2019	December 2018
Discount rate	0.40%	1.30%	2.10%

The legal structure of the scheme is such that if another employer fails, the employer could become responsible for paying a share of that employer's pension liabilities.

18 PENSION SCHEMES (CONTINUED)

University Pension Scheme
The Society contractually enrols its administrative staff in the University of Oxford Staff Pension Scheme (OSPS). The assets of the scheme are held in separate trustee-administered funds. The OSPS scheme is a contributory mixed benefit schemes (i.e. they provide benefits on a defined benefit basis - based on length of service and pensionable salary and on a defined contribution basis – based on contributions into the scheme). OSPS is a multi–employer scheme and the Society is unable to identify its share of the underlying assets and liabilities relating to defined benefits of the scheme on a consistent and reasonable basis. Therefore, in accordance with the accounting standard FRS 102 paragraph 28.11, the company accounts for the scheme as if it were a defined contribution schemes. As a result, the amount charged to the Income and Expenditure Account represents the contributions payable to the schemes in respect of the accounting period. In the event of the withdrawal of any of the participating employers in OSPS, the amount of any pension funding shortfall (which cannot be otherwise recovered) in respect of that employer will be spread across the remaining participating employers and reflected in the next actuarial valuation of the scheme.

Actuarial valuations
Qualified actuaries periodically value the OSPS scheme using the 'projected unit method', embracing a market value approach. The resulting levels of contribution take account of actuarial surpluses or deficits in the scheme. The financial assumptions were derived from market conditions prevailing at the valuation date. The results of the latest actuarial valuations and the assumptions which have the most significant effect on the results were:

Date of valuation: 31/03/19
Date valuation results published: 19/06/2020
Value of liabilities: £848m
Value of assets: £753m
Funding surplus / (deficit): (£113m)

Principal assumptions:
- Discount rate: Gilts +0.5%- 2.25% a
- Rate of increase in salaries: RPI
- Rate of increase in pensions: Average RPI/CPI pa **b**

Assumed life expectancies on retirement at age 65:
- Males currently aged 65: 21.7 yrs
- Females currently aged 65: 24.4 yrs
- Males currently aged 45: 23.0 yrs
- Females currently aged 45: 25.8 yrs

Funding Ratios:
- Technical provisions basis: 87%
- Statutory Pension Protection Fund basis: 74%
- 'Buy-out' basis: 60%

Employer contribution rate (as % of pensionable salaries): 19%

Effective date of next valuation: 31/03/22

a. The discount rate for the OSPS valuation was:

Pre-retirement: Equal to the UK nominal gilt curve at the valuation date plus 2.25% p.a. at each term.
Post-retirement: Equal to the UK nominal gilt curve at the valuation date plus 0.5% p.a. at each term.

b. Increases to pensions in payment for the OSPS valuation were:

RPI inflation is derived from the geometric difference between the UK nominal gilt curve and the UK index-linked curve at the valuation date, less 0.3% p.a. at each term. CPI inflation is derived from the RPI inflation assumption, less the Scheme Actuary's best estimate of the long-term difference between RPI and CPI inflation as applies from time to time (1.0% p.a. as at 31 March 2019).

For pension increases linked to inflation, a pension increase curve is constructed based on either the RPI, CPI or the average of the RPI and CPI inflation curves described above, adjusted to allow for the different maximum and minimum annual increases that apply, and the Scheme Actuary's best estimate of inflation volatility as applies from time to time.

c. The OSPS employer contribution rates include provisions for the cost of future accrual of defined benefits, deficit contributions, administrative expenses and defined contributions.

Sensitivity of actuarial valuation assumptions
Surpluses or deficits which arise at future valuations may impact on the Society's future contribution commitment. The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Assumption	OSPS Change in assumption	Impact on OSPS technical provisions
Valuation rate of interest	decrease by 0.25%	increase by £45m
RPI	increase by 0.25%	increase by £40m

18 PENSION SCHEMES (CONTINUED)

Deficit Recovery Plans
In line with FRS 102 paragraph 28.11A, the Society has recognised a liability for the contributions payable for the agreed deficit funding plan. The principle assumptions used in these calculations are tabled below:

	OSPS
Finish Date for Deficit Recovery Plan	30/06/28
Average staff number increase	-
Average staff salary increase	2.00%
Average discount rate over period	0.74%
Effect of 0.5% change in discount rate	£1,948
Effect of 1% change in staff growth	£4,004

A provision of £98,920 has been made at 31 July 2021 (2020 £92,173) for the present value of the estimated future deficit funding element of the contributions payable under these agreements, using the assumptions shown. The provision reduces as the deficit is paid off according to the pension recovery scheme.

Pension charge for the year
The pension charge recorded by the Society during the accounting period (excluding pension finance costs) was equal to the contributions payable after allowance for the deficit recovery plan as follows:

Scheme	2021	2020
	£	£
Church of England Funded Pensions Scheme	45,500	37,787
Church Workers Pension Fund	20,427	15,657
University Pension Scheme	41,359	50,595
Total	107,286	104,039

Included in other creditors are pension contributions payable of £nil (2020: £nil).

19 RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH FLOW FROM OPERATIONS

	2021	2020
	£	£
Net income/(expenditure)	**(273,848)**	(9,515)
Elimination of non-operating cash flows:		
Investment income	**(22,831)**	(29,874)
(Gains)/losses in investments	**(85,834)**	105,168
Depreciation	**264,555**	343,341
Decrease/(Increase) in stock	**399**	(571)
Decrease/(Increase) in debtors	**29,198**	14,102
(Decrease)/Increase in creditors	**43,103**	(52,153)
(Decrease)/Increase in pension creditors	**(19,389)**	(70,214)
Net cash provided by (used in) operating activities	**(64,647)**	300,284

20 ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021	2020
	£	£
Cash at bank and in hand	**528,891**	**576,686**
Total cash and cash equivalents	**528,891**	**576,686**

21 RELATED PARTY TRANSACTIONS

During the year donations were received by the charity from trustees and related parties totalling £420 (2020: £175,420).

There were no other related party transactions in the year (2020: no transactions) except for the Trustee transactions disclosed in note 16.

22 CONTINGENT LIABILITIES

On 17 July 2006 a grant to The Society of St Stephen's House of £32,000 originally made by The Central Board of Finance of the Church of England was assigned to The Archbishops' Council.

The grant is repayable if The Society of St Stephen's House ceases to be recognised for ordination training by the House of Bishops.

23 2020 STATEMENT OF FINANCIAL ACTIVITIES COMPARATIVE

	Unrestricted Funds £	Restricted Funds £	2020 Total £
INCOME AND ENDOWMENTS FROM:			
Charitable activities			
Teaching, research and residential	865,757	-	**865,757**
Donations and legacies	419,116	73,232	**492,348**
Investments			
Investment income	13,662	16,212	**29,874**
Other income			
Concert and other event income	90,680	-	**90,680**
Other rents	174,212	-	**174,212**
Total income	**1,563,427**	**89,444**	**1,652,871**
EXPENDITURE ON:			
Charitable activities			
Teaching, research and residential	1,410,009	54,587	**1,464,596**
Generating funds			
Fundraising	23,230	-	**23,230**
Other expenditure	69,392	-	**69,392**
Total Expenditure	**1,502,631**	**54,587**	**1,557,218**
Net Income/(Expenditure) before gains	**60,796**	**34,857**	**95,653**
Net gains/(losses) on investments	(44,887)	(60,281)	(105,168)
Net Income/(Expenditure)	**15,909**	**(25,424)**	**(9,515)**
Transfers between funds	-	-	-
Other recognised gains/losses			
Gains/(losses) on revaluation of fixed assets	-	-	-
Actuarial gains/(losses) on defined benefit pension schemes	-	-	-
Net movement in funds for the year	**15,909**	**(25,424)**	**(9,515)**
Fund balances brought forward	17,109,156	305,865	**17,415,021**
Funds carried forward at 30 June	**17,125,065**	**280,441**	**17,405,506**