

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 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: 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 Trimbois (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

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 2024

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.

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 2024

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

The Society of St Stephen's House
Notes to the financial statements
For the year ended 30 June 2024

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	9,019	8,660
	Note 5	
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

The Society of St Stephen's House
Notes to the financial statements
For the year ended 30 June 2024

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

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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.

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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 Administrator 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

	Unrestricted Funds £	Restricted Funds £	2024 Total £
2024			
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			
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.

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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
	<u>-</u>	<u>1,947</u>

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.

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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%

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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 period (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	<u>79,980</u>	<u>80,500</u>

**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	<u>(150,194)</u>	<u>(49,754)</u>

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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 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 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

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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