

Charity No: 1195535

**THE SPURGEON OAKLANDS
CHARITABLE TRUST**

**Report and
Financial Statements**

**For the year ended
31 December 2023**

The Spurgeon Oaklands Charitable Trust

Trustees' Report for the year ended 31 December 2023

Status and Objectives

The Spurgeon Oaklands Charitable Trust ("the Trust") was constituted by a trust deed dated 31 May 1994 and was registered charity, number 1039625. The Charity is registered in England and Wales.

At 1 January 2022 the Charity became a Charitable Incorporated Organisation (CIO), number 1195535 when the activities and assets and liabilities were taken over.

The CIO's address continues to be: 32 Queens Road, Reading, Berkshire RG1 4AU.

Trustees

The Trustees who served in the year ended 31 December 2023, with subsequent changes, are as follows:

R D Higgs
Rev J C Fung
P J Nixon
C G Cobbold (resigned 29 August 2023)
C B Jo
L C Eades

Those advising the CIO's Trustees are:

Independent Examiner	Heather Wheelhouse of BDO LLP, Bridgewater House, Counterslip, Bristol, BS1 6BX
Solicitors	Field Seymour Parkes LLP, 1 London Street, Reading, Berkshire, RG1 4PN

Structure, Governance and Management

The Spurgeon Oaklands Charitable Trust was registered as a CIO on 16 August 2021 and commenced operating from 1 January 2022 following the transfer of the activities and assets and liabilities of the registered charity, number 1039625 of the same name which had been constituted by trust deed dated 31 May 1994.

The Trustees continue to hold the original fund and the income there from, for and upon the following objects under the CIO Foundation Constitution:

1. To provide residential accommodation for needy Christian Ordained Ministers and lay workers and their families by reason of their age, sickness, infirmity, disability, poverty or social and economic circumstances with primary consideration being given (but always without limitation upon the Trustees' absolute discretion) to those nominated by the Retired Baptist Ministers Housing Society Limited.
2. To provide financial assistance and support by way of grant or otherwise upon such terms as the Trustees shall in their sole discretion consider appropriate to such persons as or were occupants of Oaklands (or any other property forming part of the Trust Fund).
3. To hold in trust, and make available, surplus income for each of the following in the proportions set opposite their names (but always without limitation on the Trustees' absolute discretion).

• Regent's Park Baptist College, Pusey Street, Oxford	10%
• Spurgeon's Child Care, 30 Mill Street, Bedford	10%
• Spurgeon's College, South Norwood, London	10%

The Spurgeon Oaklands Charitable Trust

Trustees' Report for the year ended 31 December 2023 (continued)

Structure, Governance and Management (continued)

- Such charitable purpose or purposes as shall be nominated by the President for the time being of:

The Baptist Union of Great Britain	30%
Southern Counties Baptist Association	20%
West Midland Baptist Association	20%

No expenses were reimbursed to the Trustees during this or the previous year.

No remuneration was paid to the Trustees during this or the previous year.

The CIO Foundation Constitution stipulates that there should be a minimum of 5 trustees. The recruitment of trustees follows an agreement as to the preferred skills required and then plans are made to approach suitable contacts. There are no current plans to increase the number of trustees.

Risk assessment

The Trustees have examined the major risks to which the CIO is exposed, in particular those related to the operations and finances of the CIO. The CIO does not enter into complex financing arrangements or provide any guarantees in order to ensure that these potential risk areas are avoided. There is no incentive on the Trustees to present a biased financial picture.

There is a risk that an increase in bad debts and property voids in the current financial situation could impact the CIO. The Trustees monitor voids and rent payments to ensure that early warnings are provided to enable appropriate actions to be taken. As part of their going concern review the Trustees have stress tested this possibility and are confident that they have sufficient resources available.

There is a risk that increased regulations may require increased standards for housing accommodation. The Trustees have a policy of reviewing the condition of each flat on changes of tenant to undertake any upgrade work that appears to be necessary. This should reduce this risk.

Going Concern

The Trustees have considered whether the cost of living crisis affects the going concern. The Trustees believe that whilst there is uncertainty relating to the potential effects the cost of living crisis, this does not pose a material uncertainty on the CIO's ability to continue as a going concern.

In September 2024 the CIO had approximately £315,500 of cash available, approximately £195,000 of which was available for general use. The remainder has been designated by the trustees for the purposes as outlined in note 1f. The Trustees have prepared a stress test and this confirms that should no further income be received, the CIO is able to meet its liabilities as they fall due for at least another 12 months from the date of approval of the financial statements.

The Spurgeon Oaklands Charitable Trust

Trustees' Report for the year ended 31 December 2023 (continued)

Objectives and Activities for the public benefit

Wherever possible the CIO attempts to let the flats to those who qualify within the charitable objectives of the CIO. Following a review of the circumstances of the individual tenants, modest increases in rents were made. The tenants who meet the charitable objectives of the CIO continue to receive the benefit of rents that are well below market rates. The management contribution to the Oaklands (Reading) Management Association Limited (Management Association) was £11,835 to cover routine maintenance, insurance etc. The CIO has arrangements with the Management Association whereby the Management Association holds the Head Lease for all flats and all the garages and the Management Association the Underlease. Seven flats are let to the CIO under the terms of the Underlease. Service charges and outside maintenance are payable to the Management Association, who arrange insurance cover.

Achievements and Performance

During the year all of the seven flats were let. All but one are let on charitable terms. Surplus income can be distributed to the specific charities as set out in the CIO Foundation Constitution at the discretion of the Trustees. At a meeting in 2023 the Trustees resolved to make no distributions from 2023 due to the substantial expenditure made on refurbishing the empty flats.

Financial Review and reserves policy

Tax status: The CIO is exempt from taxation on income and capital gains to the extent that funds are applied for charitable purposes. The CIO obtains its income principally from rents and from the premiums on lease extensions.

Reserves: At 31 December 2023 the Trustees have designated reserves of £1,616,774 (2022: £1,622,976) for the holding of properties to be occupied by tenants who are retired full time Christian workers let at such rents as their means make practical, or where no charitable tenant can be found the properties are let at full market rent and garages let to the Oaklands (Reading) Management Association Ltd are at an agreed market rent.

The designated funds comprise the value of the original charitable settlement, the amount realised from the premiums on lease extensions, and the surplus upon revaluation and provision for replacement of assets. No funds are in deficit.

The general reserves, excluding designated reserves, amounting to £170,010 (2022: £143,586) are maintained at a level to enable the Trustees to upgrade flats as they become vacant so that all are maintained in a good state of repair.

The Trustees reviewed the valuation of the investment properties following the valuation made in 2022 by Haslams, a firm of Chartered Surveyors. The basis of valuation is their existing use open market value. The Trustees consider that the valuation continues to be appropriate.

In considering the distribution of funds in accordance with the charitable objects of the CIO, the trustees decided not to distribute any funds in 2023.

Related party transactions

All day to day management is undertaken by the Trustees using the services of an external charity administrator. No staff are employed.

The Spurgeon Oaklands Charitable Trust

Trustees' Report for the year ended 31 December 2023 (continued)

Plans for Future Periods

It is hoped to recommence a pattern of annual distributions to the various charities specified in the CIO Foundation Constitution in the future. No funds are held as custodian trustee on behalf of others.

Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the CIO and of the income and expenditure, of the CIO for that period.

In preparing these financial statements the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the CIO will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the CIO and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Foundation Constitution document. They are also responsible for safeguarding the assets of the CIO and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the Trustees



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R D Higgs
Trustee

Date: 11/10/2024

The Spurgeon Oaklands Charitable Trust

Independent Examiner's Report to the Trustees of The Spurgeon Oaklands Charitable Trust

I report to the trustees on my examination of the accounts of the The Spurgeon Oaklands Charitable Trust for the year ended 31 December 2023, which are set out on pages 1 to 13.

This report is made solely to the charity's trustees, as a body, in accordance with Regulation 31 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity's trustees as a body, for my work, for this report, or for the statement I have made.

Responsibilities and basis for report

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

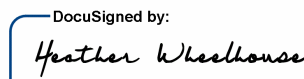
I report in respect of my examination of the CIO's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the CIO as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of Section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

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

DocuSigned by:

DA16AED75D46459.....
Heather Wheelhouse ACA
BDO LLP
Bristol, UK

Date: 14 October 2024

The Spurgeon Oaklands Charitable Trust

Statement of Financial Activities for the year ended 31 December 2023

	General fund	← Capital Settlement fund	Designated funds → Replacement fund	Revaluation fund	2023 Total funds	2022 Total funds
	£	£	£	£	£	£
Income from:						
Investment income						
Other rental income	32,799	-	-	-	32,799	30,944
Bank interest – gross	578	-	-	-	578	33
	<u>33,377</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>33,377</u>	<u>30,977</u>
Charitable activities						
Rent from charitable lets	26,628	-	-	-	26,628	30,401
	<u>26,628</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>26,628</u>	<u>30,401</u>
Total income	<u>60,005</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>60,005</u>	<u>61,378</u>
Expenditure on:						
Charitable activities						
Grants (note 3)	-	-	-	-	-	-
Service charges	11,835	-	-	-	11,835	10,328
Ground rent	140	-	-	-	140	140
Repairs and refurbishment	1,967	-	-	-	1,967	3,245
Depreciation	1,631	-	-	6,202	7,833	7,833
Independent examiner's fee	3,300	-	-	-	3,300	3,300
Secretarial assistance	14,708	-	-	-	14,708	13,653
Professional and other expenses	-	-	-	-	-	2,400
	<u>33,581</u>	<u>-</u>	<u>-</u>	<u>6,202</u>	<u>39,783</u>	<u>40,899</u>
Total expenditure	<u>33,581</u>	<u>-</u>	<u>-</u>	<u>6,202</u>	<u>39,783</u>	<u>40,899</u>
Gains on investment properties	-	-	-	-	-	50,000
Net income/(expenditure)	<u>26,424</u>	<u>-</u>	<u>-</u>	<u>(6,202)</u>	<u>20,222</u>	<u>70,479</u>
Net movement in funds	<u>26,424</u>	<u>-</u>	<u>-</u>	<u>(6,202)</u>	<u>20,222</u>	<u>70,479</u>
Fund balances at start of the year	143,586	409,670	3,515	1,209,791	1,766,562	1,696,083
Fund balances at end of the year	<u>170,010</u>	<u>409,670</u>	<u>3,515</u>	<u>1,203,589</u>	<u>1,786,784</u>	<u>1,766,562</u>

None of the CIO's activities were acquired or discontinued during the above two financial years.


The notes on pages 8 to 12 form part of the financial statements.

The Spurgeon Oaklands Charitable Trust

Balance Sheet at 31 December 2023

			2023	2022
	Notes	£	£	£
Fixed assets	4			
Tangible assets		1,104,504		1,112,337
Investment property		<u>400,000</u>		<u>400,000</u>
			1,504,504	1,512,337
Current assets				
Cash at bank		<u>290,036</u>		<u>262,109</u>
		<u>290,036</u>		<u>262,109</u>
Creditors: amounts falling due within one year	5	<u>7,756</u>		<u>7,884</u>
Net current assets			<u>282,280</u>	<u>254,225</u>
Total net assets			<u><u>1,786,784</u></u>	<u><u>1,766,562</u></u>
Unrestricted funds				
General fund			170,010	143,586
Designated funds	6		1,616,774	1,622,976
Total funds			<u><u>1,786,784</u></u>	<u><u>1,766,562</u></u>

These financial statements were approved by the Trustees and authorised for issue on 11/10/2024 and signed on their behalf by:


P J Nixon
Trustee

The notes on pages 8 to 13 form part of the financial statements.

The Spurgeon Oaklands Charitable Trust

Notes to the financial statements for the year to 31 December 2023

1. Accounting policies

The following accounting policies have been adopted in dealing with the items, which are considered material to the Trust's financial statements.

a) Basis of preparation

The financial statements have been prepared under the historical cost convention with items recognised at cost of transaction value unless otherwise stated in the relevant notes to these accounts.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 1 January 2019 and with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and with the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published 1 January 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The charity constitutes a public benefit entity as defined by FRS102.

The accounts are prepared in £ sterling and rounded to the nearest £1.

The trust was converted into a Charitable Incorporated Organisation (CIO) on 1 January 2022, with the transfer of operations, assets and liabilities from the old legal entity. The activities of the new CIO remained unchanged.

The accounts have been prepared on the going concern basis. The Trustees believe that whilst there is uncertainty relating to the potential effects of the cost of living crisis, this does not pose a material uncertainty on the new CIO's ability to continue as a going concern.

In September 2024 the CIO had approximately £315,500 of cash available, approximately £195,000 of which was available for general use. The remainder can be used for designated purposes as outlined in note 1f. The Trustees have prepared a stress test and this confirms that should no further income be received, the CIO is able to meet its liabilities as they fall due for at least another 12 months from the date of approval of the financial statements.

The Spurgeon Oaklands Charitable Trust

Notes to the financial statements for the year to 31 December 2023 (continued)

b) Fixed assets and depreciation

Depreciation is provided by the Trust to write off cost or valuation less the estimated residual value of tangible fixed assets over their estimated useful lives as follows:

Furnishings	20% pa straight line
Flats retained by the CIO	1% pa straight line

The flats retained by the CIO for charitable use are shown at deemed cost equal to their previous valuation using the transitional exemptions available under Section 35 of FRS 102. Depreciation is not charged on the freehold land element of the deemed cost.

c) Investment property

Investment property is carried at fair value determined annually by either a professional valuer or the trustees, and derived from the current market data, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Any gains or losses arising from changes in the fair value will be recognised in the Statement of Financial Activities for the period in which they arise.

d) Income and expenditure

Income from letting the flats and garages is included in the statement of financial activities in the period to which it relates. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

e) Financial instruments

The CIO only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties.

f) Designated funds

The designated funds are as follows:

Replacement fund

This designated fund represents funds put aside to be used for the eventual replacement of capital assets.

Capital settlement fund

This designated fund represents the capital assets settled on the original Trust and amounts capitalised since that date less depreciation charged to date, together with the net amount realised in previous years and by premiums for the extension of leasehold interests in those flats not held for charitable purposes.

Major flat refurbishments are charged to this fund from 2020 onwards.

Revaluation fund

This designated fund represents the historical uplifting of the cost value of the properties of both functional and investment assets.

g) Grants Awarded

Grants are awarded at the discretion of the Trustees and are distributed in accordance with the CIO Foundation Constitution.

The Spurgeon Oaklands Charitable Trust

Notes to the financial statements for the year to 31 December 2023 (continued)

2. Judgements in applying accounting policies and sources of estimation uncertainty

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

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

The trustees believe that the significant areas of judgement are the valuation of the freehold investment property and the estimate of the useful economic life of the other freehold property. The investment properties have been valued by Haslams, Chartered Surveyors, during the previous year using open market based evidence. The trustees believe this is still an appropriate valuation at this year end. On the date of approval of the financial statements, there are no indications to imply that material changes to fundamental assumptions and estimates are necessary.

3. Grants Awarded

No grants were awarded in either 2023 or 2022.

4. Fixed assets – tangible assets and investments

	Tangible assets £	Investment property £
Cost or valuation		
At 1 January 2023	1,178,516	400,000
Revaluation addition	-	-
At 31 December 2023	<u>1,178,516</u>	<u>400,000</u>
Depreciation		
At 1 January 2023	66,179	-
Charge for the year	<u>7,833</u>	<u>-</u>
At 31 December 2023	<u>74,012</u>	<u>-</u>
Net book value		
As at 31 December 2023	<u>1,104,504</u>	<u>400,000</u>
As at 31 December 2022	<u>1,112,337</u>	<u>400,000</u>

The Spurgeon Oaklands Charitable Trust

Notes to the financial statements for the year to 31 December 2023 (continued)

4. Fixed assets – tangible assets and investments (continued)

Tangible assets

The flats retained by the CIO are used for the purposes of the charity. They are shown at deemed cost equal to their previous valuation using the transitional exemptions available under Section 35 of FRS 102. Depreciation is not charged on the freehold land element of the deemed cost. In addition furnishings within the flats are included at cost and are depreciated.

Investments

The freehold interest in flats not retained for charitable use and the garages are held as investment properties and shown at fair value. The Trustees have reviewed the valuation of the investment properties at the year end. The basis of valuation is their existing use open market value. The Trustees are confident that their valuation reflects the current value of the properties.

5. Creditors

	2023	2022
	£	£
Rents in advance	-	305
Accruals	5,800	6,426
Trade creditors	1,956	1,153
	<u>7,756</u>	<u>7,884</u>

The Spurgeon Oaklands Charitable Trust

Notes to the financial statements for the year to 31 December 2023 (continued)

6. Designated funds

	Leasehold flats revaluation £	Freehold interest in flats and garages revaluation £	Total revaluation fund £	Replacement fund £	Capital settlement fund £	Total £
Balance at 1 January 2023	880,752	329,039	1,209,791	3,515	409,670	1,622,976
Expenditure	(6,202)	-	(6,202)	-	-	(6,202)
Balance at 31 December 2023	<u>874,550</u>	<u>329,039</u>	<u>1,203,589</u>	<u>3,515</u>	<u>409,670</u>	<u>1,616,774</u>

	Leasehold flats revaluation £	Freehold interest in flats and garages revaluation £	Total revaluation fund £	Replacement fund £	Capital settlement fund £	Total £
Balance at 1 January 2022	886,954	279,039	1,165,993	3,515	409,670	1,579,178
Gains on Investment	-	50,000	50,000	-	-	50,000
Expenditure	(6,202)	-	(6,202)	-	-	(6,202)
Balance at 31 December 2022	<u>880,752</u>	<u>329,039</u>	<u>1,209,791</u>	<u>3,515</u>	<u>409,670</u>	<u>1,622,976</u>

The reasons for the designated funds are as detailed in note 1f.

7. Contingent liability

There is potentially a future expense relating to tree surgeon fees to assess 70 trees situated nearby the garages let out to The Management Association. However the Management Association may be liable for the costs. Given the uncertainty a provision has not been included in these financial statements. The assessment fees involved would be unlikely to exceed £5,000.

8. Related parties

Mr RD Higgs, a trustee, is an employee of the Charity's solicitors (Field Seymour Parkes LLP). He is not involved directly in any of the work the solicitors perform for the CIO. This work is all on normal terms of business.

There were no other related party transactions during the year and no trustees were paid or received any expenses.

9. Staff numbers

No persons were employed by the Charity in the current or prior year.

The Spurgeon Oaklands Charitable Trust

Notes to the financial statements for the year to 31 December 2023 (continued)

10. Analysis of net assets between funds

	General fund £	Revaluation fund £	Replacement fund £	Capital settlement fund £	Total £
Fixed assets	-	1,203,589	-	300,915	1,504,504
Bank	177,766	-	3,515	108,755	290,036
Creditors	(7,756)	-	-	-	(7,756)
Balance at 31 December 2023	<u>170,010</u>	<u>1,203,589</u>	<u>3,515</u>	<u>409,670</u>	<u>1,786,784</u>

	General fund £	Revaluation fund £	Replacement fund £	Capital settlement fund £	Total £
Fixed assets	-	1,209,791	-	302,546	1,512,337
Bank	151,470	-	3,515	107,124	262,109
Creditors	(7,884)	-	-	-	(7,884)
Balance at 31 December 2022	<u>143,586</u>	<u>1,209,791</u>	<u>3,515</u>	<u>409,670</u>	<u>1,766,562</u>