

**ST STEPHEN ECCLESIASTICAL CHARITY**

**Charity No. 251464**

**TRUSTEES REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31<sup>st</sup> DECEMBER 2021**

## **ST STEPHEN ECCLESIASTICAL CHARITY**

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**ST STEPHEN ECCLESIASTICAL CHARITY REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS  
TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2021**

**Charity Registration Number: 251464**

**Trustees and Clerk**

The trustees who served the charity during the year were as:

Ex Officio	The Revd. Lee Barnes	
Nominated	Mr R. Williams	Parochial Church Council of the Ecclesiastical Parish of St Stephen with St James and St John the Baptist, Bristol
	Mr P.J Marshall	
Co-opted	Mrs C. Duckworth	The Society of Merchant Venturers of the City of Bristol
	Mr P.N.C. Rowe	The Antient Society of St Stephen's Ringers
	Mr P.R.C Densham	Chairman
	Mr J.N. Porter	
	Mr J. Ellis	

*The Revd. Lee Barnes ceased as Incumbent of St. Stephen's in September 2021. Since this time the position has remained vacant. There has been no change to trustees between the year-end and the date of this report.*

Clerk                      Mrs. A Maddox

**Correspondence Address**

Charities Office  
1 All Saints Court  
Bristol  
BS1 1JN

**Other Information**

Independent Examiner    Joshua Kingston BSc ACA  
                                        Burton Sweet Limited  
                                        The Clock Tower  
                                        5 Farleigh Court  
                                        Old Weston Road  
                                        Flax Bourton  
                                        Bristol BS48 1UR

Bankers                      National Westminster Bank Plc  
                                        P.O. Box 238  
                                        32 Corn Street  
                                        Bristol  
                                        BS1 7UG

Investment Managers	J M Finn and Co. Ltd	Rathbone Investment Management Ltd
	22/24 Queen Square	10 Queen Square
	Bristol	Bristol
	BS1 4ND	BS1 4NT



## **Trustees Report for the Year Ended 31<sup>st</sup> December 2021**

The Trustees present their annual report and financial statements for the year ended 31 December 2021. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing documentation, applicable law and the Statement of Recommended Practice- Accounting and Reporting by Charities (The Charities SORP (FRS102))

### **Objects and Activities**

#### **Objects**

The object of the Charity is to further the religious and other charitable works of the Church of England in the parish, being the Ecclesiastical Parish of St Stephen with St James and St John the Baptist, Bristol.

#### **Objectives**

The main objectives of the Trustees in 2021 were to manage what effect the present worldwide financial situation would mean for the charity, and to act accordingly having sought the advice of their investment advisers.

#### **Strategies for Achieving Objectives and Public Benefit**

The levels of investments were maintained well during the year therefore giving no concern to the Trustees beyond the concerns arising from the effects of the world pandemic continuing during the year.

The Charity continues to maintain a reasonable level of investment income which enables it to meet its objects having regard to the Charity Commissions' guidance on public benefit, in particular the support given by this charity to St Stephen's Church, whose Churchwarden's report in the temporary absence of an Incumbent to the Trustees is included below under Review of Activities. This vacancy and increased income have built up the distributable reserves. The Trustees have been investigating suitable additional recipients of any surplus income.

### **Achievements and Performance**

#### **Review of Activities**

During the year St Stephen's ('the church') entered a vacancy when its Priest-in-Charge left in September 2021. Many initiatives of the church await a new incumbent, about which appointment the Churchwarden has advised 'we can't give you much news at present. Neil Warwick (The Archdeacon) has told us that the average length of times between Vicars in Bristol Diocese is currently 18 months'. A report from the Archdeacon has similarly noted that while the future direction of the Diocese for the City Centre of Bristol is being considered it is too early to elaborate upon the future plans. Meanwhile, ambitious plans to redecorate the church in order to present a better welcome are being pursued.

While this vacancy continues and in view of income being achieved in excess of the commitments to the church an initiative has started at considering other suitable recipients who may fall within the charitable objects. This activity is ongoing and new beneficiaries of the Charity are expected to emerge during the ensuing year.

#### **Financial Review**

The Statement of Financial Activities (SOFA) is set out on page 9 of the Financial Statements and reflects the total income which increased by 4% to £30,720 (2020: £29,511). The monthly grant payable by the charity to Saint Stephen's Church remained at £24,000 for the year (2020: £28,000 to include a £4,000 discretionary award)).

World stock markets rallied in the year, and the value of the Charity's investments lifted to just above £1million by the end of the year.



## Investment Policy and Performance

During the year, the Trustees continued their review of the performances of the investment managers, and the Trustees decided to retain the two portfolios of investments held separately, so their performances are also reported on separately.

### i) The Charity's main investment portfolio

The Trustees have set a policy and agreed it with the Investment Managers, that the endowment should be invested so as to achieve this charity's own investment objectives of long-term capital growth with a reasonable level of income and with a medium level of risk. The Trustees review this strategy annually.

The Investment Managers are authorised to act on a discretionary basis and are paid a fee based on a percentage of the market value of the investments at the end of each quarter. The percentage declines as the value of the investments increases. The fee charged for the year was £6,204 including Value Added Tax. The Trustees have agreed the basis of a benchmark with the Investment Managers which is the recognised benchmark for many charities, the FTSE WMA Balanced Index – Total Return. However, the Trustees are aware that achieving this benchmark may be difficult because of the requirement for a higher level of income than recognised by this benchmark yet the performance slightly outperformed the benchmark

The investment performance for 2021 of this charity was:

	Year 2020		Year 2021	
	Fund	Benchmark	Fund	Benchmark
FTSE WMA Balanced Index – Total Return	-2.4%	1.95%	12.68	12.54

### ii) The second investment portfolio:

The Trustees have set a further policy and agreed it with the Investment Managers, that the endowment should be invested so as to achieve this charity's own investment objectives particularly focussed on long term growth and with a medium level of risk. Prior to concluding this strategy during the year a strategy of caution was followed in entering the investments from the cash basis from which the Fund emanated. The Trustees will continue to review annually the policy now settled.

The emerging policy has resulted in a performance of 7.53%. The Trustees have agreed the basis of a Benchmark with the Investment Managers, being the same Benchmark as used in the other investment portfolio, namely the FTSE WMA Balanced Index. Now that the portfolio is fully invested it is expected that future returns will follow the benchmark more closely. As this is the first full year of this portfolio there is no comparative year in 2020 to consider.

The Investment Managers are authorised to act on a discretionary basis and are paid a fee on a percentage of the market value of the investments at the end of each quarter. The fee charged for the year was £3,731 including Value Added Tax.

## Reserves Policy

The expenditure of the Charity, other than investment manager fees charged to endowment, has been determined to be small, comprising primarily the monthly grant of £2,000 to St. Stephen's Church. Target reserves are deemed to be equivalent to one year's payment of the grant i.e. £24,000. The free reserves at 31 December 2021 were £41,233 (2020: £36,310). Given the ongoing uncertainties caused by the Covid-19 pandemic, the trustees are content to hold more in reserve than the policy target but will keep the free reserves level under review.



## **Risk Management**

The Trustees annually review the issues the Charity faces. The Trustees acknowledge the major risk this charity has is the volatility of the international stock markets. As far as possible this has been ameliorated by agreeing an investment policy and the appointment of investment managers.

## **Plans for the Future**

The Trustees' objective for the future is to try and maintain the level of investment income to enable them to fulfil the objects of the Charity as set out in the Charity Commission Scheme.

## **Structure Governance and Management**

### **Governing Document**

A new scheme of the Commissioner for this Charity was agreed and became effective by an order dated 16 May 2005. The name of this charity was changed to St Stephen Ecclesiastical Charity and is a registered charity under Charity Commission Scheme number 251464.

### **Trustees**

The Trust Deed provides for a maximum of eight Trustees; one ex-officio Trustee, four nominated Trustees and three co-opted Trustees who are appointed for a four-year term. If there is a requirement for new co-opted Trustees, these would be identified and appointed by the remaining Trustees. In the case of the nominated Trustees, it is the responsibility of the nominating body to make such appointments, usually in consultation with the Chairman of the Trust.

The four nominated Trustees comprise:

- two by the Parochial Church Council of the Ecclesiastical Parish of St Stephen with St James and St John the Baptist, Bristol
- one by the Society of Merchant Venturers in the City of Bristol
- one by the Antient Society of St Stephen's Ringers.

The ex-officio Trustee, the Incumbent of St Stephens, has retired during the year and the vacancy has not yet been filled. Otherwise, all Trustee positions are filled and there have been no changes during the year.

The Trustees usually meet twice a year. During the pandemic these meetings have been held by correspondence or zoom. During the year Trustees were able to return to physical meetings once more.

### **Policy Adopted for the Induction and Training of Trustees**

The Chairman of the Trustees is responsible for the induction of any new Trustee, which involves awareness of a Trustee's responsibilities, the governing document, the history and objectives of this charity. A new Trustee would receive copies of the Trust Deed, the previous year's financial statements and be informed about the Charity Commission's "The Essential Trustee: What you need to know".

### **Organisational Structure and Decision Making**

Due to the nature of this charity all decisions on policy are taken by the Trustees and then implemented by the Investment Managers or the Clerk.

During the year Mrs A. Maddox continued her year as Clerk. She reports direct to the Trustees and is paid an appropriate fee for any work undertaken.

### **Independent Examiner**

The Trustees are advised that an independent examination of the financial statements of the Charity is required and accordingly appointed Burton Sweet whose report is included with this report.

#### Statement of Trustees Responsibilities

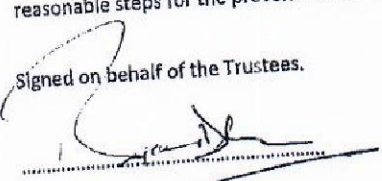
The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in [England & Wales/Scotland/Northern Ireland] 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 charity and of the income and expenditure of the charity 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;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed/constitution. 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.

Signed on behalf of the Trustees.

  
P.R.C. Densham Chairman

Date: 31 March 2022



## **Independent examiner's report to the trustees of St Stephen Ecclesiastical Charity**

I report to the trustees on my examination of the accounts of St Stephen Ecclesiastical Charity (the Charity) for the year ended 31 December 2021.

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

As the charity trustees of the Charity 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 Charity's accounts carried out under section 145 of the 2011 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 that in any material respect:

1. accounting records were not kept in respect of the Charity 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 applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination.

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.

  
Joshua Kingston, BSc ACA  
Burton Sweet Limited  
The Clock Tower  
5 Farleigh Court  
Old Weston Road  
Flax Bourton  
Bristol BS48 1UR

31/03/2022



## **ST STEPHEN ECCLESIASTICAL CHARITY**

### **SSEC STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR END 31 DECEMBER 2021**

		Unrestricted Funds		Endowment Funds	Total Funds 2021	Total Funds 2020
	Notes	General £	Designated £	£	£	£
<b><u>Income and Endowments</u></b>						
Investment Income	3	30,720	-	-	30,720	29,511
<b>Total Income</b>		<b>30,720</b>	<b>-</b>	<b>-</b>	<b>30,720</b>	<b>29,511</b>
<b><u>Expenditure</u></b>						
Charitable Activities	4	25,258	-	-	25,258	29,210
<b><u>Costs of Generating Funds:</u></b>						
Investment Management Costs	4	-	156	9,779	9,935	7,667
<b>Total Expenditure</b>		<b>25,258</b>	<b>156</b>	<b>9,779</b>	<b>35,193</b>	<b>36,877</b>
<b>Total Income/(Expenditure) before gains/(losses) on investments</b>		<b>5,462</b>	<b>(156)</b>	<b>(9,779)</b>	<b>(4,473)</b>	<b>(7,366)</b>
<b><u>Other Recognised Gains (Losses):</u></b>						
<b><u>Net gains (losses) on Investments</u></b>						
Realised (note 5 refers)		-	261	10,109	10,370	(14,395)
Unrealised (note 5 refers)		-	916	53,511	54,427	(31,337)
<b>Net Movement in Funds</b>		<b>5,462</b>	<b>1,021</b>	<b>53,841</b>	<b>60,324</b>	<b>(53,098)</b>
Total Funds Brought Forward (note 8 refers)		41,889	17,199	932,725	991,813	1,044,911
<b>Total Funds Carried Forward (note 8 refers)</b>		<b>47,351</b>	<b>18,220</b>	<b>986,566</b>	<b>1,052,137</b>	<b>991,813</b>

The notes on pages 11-14 form part of these financial statements.

Prior year fund movements in funds are shown on page 14.

# ST STEPHEN ECCLESIASTICAL CHARITY

## BALANCE SHEET AS AT 31 DECEMBER 2021

	Notes	2021 £	2020 £
Fixed Assets			
Investments	5	1,010,904	955,503
Current Assets :			
Debtors	6	745	3,210
Cash at Bank		43,237	40,294
		43,982	43,504
Creditors:			
Amounts Falling due within one year	7	2,749	7,194
Net Current Assets		41,233	36,310
Net Assets		1,052,137	991,813
Represented By:			
Unrestricted Funds:			
General	8	47,351	41,889
Designated	8	18,220	17,199
		65,571	59,088
Endowment Funds	8	986,566	932,725
Total Funds	8	1,052,137	991,813

The notes on pages 11-14 form part of these financial statements.

The financial statements on pages 9 to 14 were approved by the Trustees on 31st March 2022

  
P.R.C. Densham



# **ST STEPHEN ECCLESIASTICAL CHARITY**

## **NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021**

### **1. Accounting Policies**

In preparing the financial statements the following accounting policies have been applied.

#### **a) Declaration**

The charity is a Public Benefit Entity as defined by FRS102.

#### **b) Basis of Accounting**

The financial statements have been prepared under the historical cost convention, as modified by the inclusion of fixed asset investments at market value. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102), the Charities SORP (FRS102) and the Charities Act 2011.

#### **c) Fund Accounting**

- General unrestricted funds are funds available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.
- Designated funds are unrestricted funds earmarked by the trustees for particular purposes.
- Endowment funds are funds that represent capital endowed on creation of this charity, capital endowed on creation of the merged charity St James and St Mary-Le-Port Ecclesiastical Charity or capital transferred to the fund by another charity. Where the trustees must permanently maintain the whole of the fund it is referred to as the permanent endowment and such a fund cannot be spent as if it is income.

#### **d) Income**

All income is included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. Investment income is represented by dividends and interest received on listed investments and recognised on a receivable basis.

#### **e) Investments**

Investments are stated at market value at the Balance Sheet date. The Statement of Financial Activities includes the net gains and losses on revaluations and disposals throughout the year.

#### **f) Expenditure**

All expenditure is accounted for on an accruals basis and has been included under headings that aggregate all costs related to the category; irrecoverable VAT is charged as incurred.

The cost of managing investments is charged against investment capital, reflecting the total return approach to investment management. Any costs associated with the sale or purchase of investments are accounted for as part of the sale or purchase price of the investments.

#### **g) Going Concern**

There are no material uncertainties to impact the ability of the charity to continue as a going concern.

### **2. Taxation**

The Trust is a recognised charity and accordingly is exempt from taxation on its income and gains where they are applied for charitable purposes.

### 3. Investment Income

	2021	2020
	£	£
Listed Investments	30,293	28,937
Interest	427	574
	<b>30,720</b>	<b>29,511</b>

### 4. Expenditure

	2021	2020
	£	£
Charitable Expenditure		
Charitable Expenditure - Saint Stephen's Church	24,000	28,000
Independent examination fees	945	1,020
Admin Costs	313	190
	<b>25,258</b>	<b>29,210</b>
Investment Management Costs	9,935	7,667
	<b>35,193</b>	<b>36,877</b>

Investment management costs are allocated to the endowment and unrestricted reserves designated on the basis of these funds at the beginning of the period to the market value of the investments at the same date.

### 5. Fixed Assets - Investments, Market Value

	2021	2020
	£	£
Listed Investments:		
Stocks & Shares	986,661	608,083
Bonds	-	151,967
Unlisted Investments:		
Property Fund	-	59,278
	<b>986,661</b>	<b>819,328</b>
Cash	24,243	136,175
	<b>1,010,904</b>	<b>955,503</b>

#### Movements in fixed asset investments were:

Market value at 1 January 2021	819,328	961,341
Additions to investments at cost	-	208,457
Disposal of investments at market value	-	(304,739)
Net Investments gain (loss)		
Realised	10,370	(14,395)
Unrealised	54,427	(31,337)
Market value at 31 December 2021	<b>884,125</b>	<b>819,328</b>

The cost of investments held at 31 December 2021

<b>961,869</b>	<b>741,642</b>
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All assets are held in the United Kingdom

### 6. Debtors

Investment Income	745	3,210
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### 7. Creditors

St Stephen's Church	-	4,000
Investment Manager's Fees	1,604	1,484
Independent Examiner fee	1,145	1,020
Other Fees & Charges	-	690
	<b>2,749</b>	<b>7,194</b>



## 8. Analysis of Net Assets and Liabilities Between Funds

	Unrestricted Funds (£)		Endowment Funds (£)	Total (£)
	General	Designated		
Year end December 2021:				
Fixed Asset Investments	6,118	18,220	986,566	1,010,904
Current Assets	43,982	-	-	43,982
Current Liabilities (-)	(2,749)	-	-	(2,749)
	<b>47,351</b>	<b>18,220</b>	<b>986,566</b>	<b>1,052,137</b>
	Unrestricted Funds (£)		Endowment Funds (£)	Total (£)
	General	Designated		
Year end December 2020:				
Fixed Asset Investments	5,579	17,199	932,725	955,503
Current Assets	43,504	-	-	43,504
Current Liabilities (-)	(7,194)	-	-	(7,194)
	<b>41,889</b>	<b>17,199</b>	<b>932,725</b>	<b>991,813</b>

The unrestricted funds of the charity may be applied for charitable purposes in accordance with the objects of the Trust. These funds include the designated fund, which is for work with young people

## 9. Related Party Transactions

There were no other related party transactions during current or preceding year.

None of the Trustees received any remuneration or expenses from the charity during the year

## ST STEPHEN ECCLESIASTICAL CHARITY

### SSEC STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR END 31 DECEMBER 2020

		Unrestricted Funds		Endowment Funds	Total Funds 2020
	Notes	General	Designated		
		£	£	£	£
<b>Income and Endowments</b>					
Investment Income	3	28,891	620	-	29,511
Total Income		28,891	620	-	29,511
<b>Expenditure</b>					
Charitable Activities	4	29,210	-	-	29,210
<b>Costs of Generating Funds:</b>					
Investment Management Costs	1e	-	143	7,524	7,667
Total Expenditure		29,210	143	7,524	36,877
<b>Total Income/(Expenditure) before gains/(losses) on investments</b>					
		(319)	477	(7,524)	(7,366)
<b>Other Recognised Gains (Losses):</b>					
<b>Net gains (losses) on Investments</b>					
Realised		-	(174)	(14,221)	(14,395)
Unrealised		-	(956)	(30,381)	(31,337)
Net Movement in Funds		(319)	(653)	(52,126)	(53,098)
Total Funds Brought Forward		42,208	17,852	984,851	1,044,911
Total Funds Carried Forward		41,889	17,199	932,725	991,813