

St Michael's and All Saints' Charities
Church Branch
(St Michael's and All Saints' Charity)

Accounts
for the year ended
31st December 2023

Wenn Townsend
Chartered Accountants
Oxford

**St Michael's and All Saints' Charities
Church Branch
(St Michael's and All Saints' Charity)**

Charity Number	261304
Ex-officio Trustees	
Vicar of St Michael at the North Gate	Rev A Buckley
The Wardens of St Michael at the North Gate	Mr M Lebus Mrs P Warner (stepped down on 15 th May 2024) Prof A Spicer (commenced on 15 th May 2024)
The Rector of Lincoln College	Prof H Woudhuysen
The Principal of Jesus College	Sir Nigel Shadbolt
Nominative Trustees	Ms R Loseby Ms S Shibli Miss P Dailey Mr R Earl Mr I Laing
Clerk to the Trustees	Mr R F Sheppard Mrs L Packer (commenced on 3 rd June 2024)
Assistant Clerk	Mrs J Steele (retired 31st October 2023)
Address	St Michael's Church Centre Cornmarket Oxford
Auditors	Wenn Townsend 30 St Giles' Oxford OX1 3LE
Bankers	Barclays Bank plc PO Box 858 Wytham Court 11 West Way Botley Oxford
Investment Managers	CCLA Senator House 85 Queen Victoria Street London EC4V 4ET
Chartered Surveyors	Savills (UK) Ltd 33 Margaret Street London W1G 0JD
Solicitors	Mills and Reeve LLP 24 William Street London EC4R 9AT

**St Michael's and All Saints' Charities
Church Branch
(St Michael's and All Saints' Charity)**

**Trustees' Report
for the year ended 31st December 2023**

Reference and administrative information

Please refer to page 1

Structure, Governance and Management

The St Michael's and All Saints' Charity is regulated by a Scheme sealed by the Charity Commission on 18th February 1991. The body of Trustees consists of five ex-officio trustees and six trustees nominated by the Parochial Church Council of St Michael at the North Gate with St Martin and All Saints, Oxford. The Scheme provides that a person appointed may be, but need not be, a member of the nominating body. A salaried clerk and an assistant clerk are employed. The Trustees are referred to as the Feoffees.

On appointment a new Feoffee meets the Chairman of the Feoffees, the Incumbent of the Parish of St. Michael at the Northgate and the Clerk to the Feoffees and is sent the following documents:

- Feoffees' Handbook
- Scheme sealed 18th February 1991
- Scheme sealed 7th May 1980 (governing The Church Houses Relief in Need Charity)
- Minutes of the previous four meetings
- The last audited accounts of the charities
- A statement of the experience and expertise of other Feoffees

A new Feoffee is required to complete the following:

- A Register of skills
- A Register of Feoffees' interests
- A Declaration

(These Registers and Declaration are also completed by each Feoffee annually.)

The Clerk shows new Feoffees the properties owned by the Feoffees in central Oxford, and they are briefed on the accounts. The Feoffees of The St Michael's and All Saints' Charity are also Trustees of The Church Houses Relief in Need Charity, and all meetings are joint meetings.

Full meetings of the Feoffees are held quarterly and additional meetings are called as and when required. Major decisions are taken at these meetings which ensures that the Feoffees exercise full and effective control of the decision making process. Four such meetings were held in 2023. These meetings are preceded by meetings of the Property and Investment Committee, formed in 2021, of those Feoffees with skills in investment and property management, to consider in detail financial and investment matters and to make recommendations to the following meetings of all the Feoffees.

The Feoffees have examined the principal areas of the Charity's operation and considered the major risks in these areas. The Trustees consider the Charity's systems to be such that these risks are mitigated to an acceptable level.

During the year, Professor Katrin Kohl, Vice-Principal of Jesus College, attended meetings in place of Sir Nigel Shadbolt.

Objectives and Activities

Summary of the purposes of the charity as set out in its governing document

In accordance with the terms of the Scheme income of the Charity is applied first to the maintenance of the property of the Charity and to the expenses of management of the Charity. It is then applied to defray the cost of repairs to the fabric, furniture, fittings and organ of the Parish Church and of insurance of the Parish Church, to the maintenance of music and the provision of music therein, in aid of the stipends of clergy officiating at the Parish Church, and in making grants for such religious and other charitable purposes as the Feoffees decide after consultation with the Parochial Church Council. Although the charity has wide discretion in respect of making grants the Feoffees have focussed primarily on assisting charities addressing local needs.

**St Michael's and All Saints' Charities
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**Trustees' Report (continued)
for the year ended 31st December 2023**

Summary of the main activities in relation to those purposes for the public benefit, in particular, the activities, projects or services identified in the accounts

A. To defray the cost of repairs to the fabric, furniture, fittings and organ of the Parish Church and of insurance of the Parish Church

The Parish Church of St Michael at the North Gate is situated in the centre of Oxford where its tower, built shortly before the Norman Conquest, is the oldest surviving building. By covering the costs of repair and maintenance of this historic church the charity ensures that the church is in a fit state to allow public access (including tourists, worshippers and those seeking a quiet space) and that the church continues to host an active community in the heart of Oxford. The public is served through this programme of continued maintenance and improvement in a variety of ways. It enables the church to be open every day for personal quiet and prayer, for the enjoyment of the historical heritage, for providing open and accessible services of worship and teaching on Sundays and during the week, for the holding of regular cultural activities and making the buildings available for hire or free use to groups serving the needs of the community at large. The total expenditure in the year for this purpose (including insurance, IT support, expenses and repairs) was £44,986 (2022: £42,666) [note 13]. In addition, £50,000 was set aside for the Church Reserve Repair Fund (2022: £50,000), which now totals £100,000. This fund exists to cover substantial costs of repairs to the Church that may be found necessary in years to come. More information on these activities can be found in the report of the accounts of the Parochial Church Council of St Michael at the North Gate with St Martin and All Saints.

B. To the maintenance of music and the provision of music at the Parish Church

The Charity supports the music at St Michael's by covering the costs of the Director of Music, Organist and the professional Choir. These were £32,833 in 2023 (2022: £35,614) [note 13]. The choir serves the worshipping community at St Michael's by leading the congregation in sung services and providing full choral services which are open and accessible to all.

C. In aid of the stipends of the clergy officiating at St Michael at the North Gate

The charity provides an honorarium for the Vicar at St Michael at the North Gate covering his stipend and expenses. The cost of this for the year was £39,162 (2022: £36,872). The honorarium for the Vicar is paid to the Diocese, which is then responsible for paying the Vicar a regular stipend. This is significant in allowing St Michael's to continue to serve the congregation, parish and visitors to the city centre: without this contribution it is currently unlikely that any stipendiary clergy could be allocated to the church by the Diocese in Oxford.

There are few permanent residents within the Parish boundaries, but the Bishop of Oxford recognises the importance of St Michael's in supporting the public benefit by means of both the Vicar's role as City Rector with the Oxford City Council, and his pastoral relations with city centre businesses and visitors. The charity also covers the salaries of the treasurer, church administrator and church caretaker, who support the Vicar in his work.

D. In making grants for other such religious and other charitable purposes as the Feoffees decide (in consultation with the Parochial Church Council)

The original endowments were made by citizens of Oxford and are mainly represented by properties close to the city centre. The Charity is fortunate in that the income from these properties and other investments has for many years exceeded the expenditure needed to cover A-C above, enabling it to make grants for religious and other charitable purposes in the public interest. In 2023 the Charity provided additional support for the Parish of St Michael's in the form of £81,250 towards administration salaries (2022: £61,528).

The trustees' financial situation is considered below under Achievements and Performance, and Financial Review. The possibility of resuming grant awards will be considered towards the end of 2024 and a decision made in the light of the outlook for the trustees' finances.

**St Michael's and All Saints' Charities
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**Trustees' Report (continued)
for the year ended 31st December 2023**

Public benefit statement

In exercising their powers and duties the Trustees have paid due regard to the guidance on public benefit published by the Charity Commission. Each of the aims of the charity has been directed towards the public benefit in the ways described above.

Achievements and Performance

During 2023, the Charity's activities, together with its rental and investment activities continued to feel the effects of adverse economic conditions, locally as well as nationally. Nevertheless, the Feoffees have continued to manage their affairs effectively, holding their four meetings during the year in person. At each of their meetings, the Feoffees review their finances, being supplied with a financial statement of their assets, cash flow forecasts, comparisons of income and expenditure with the budget for the year to date, and revised forecasts for the financial year end. Cash flow forecasts are accompanied by explanatory notes setting out the assumptions upon which the forecasts are based, drawing attention to where the greatest uncertainties in the forecasts lie.

After meeting the Charity's expenses, the Charity was able to maintain funding for the purposes set out in paragraphs A, B, C and D above, namely in defraying the cost of repairs to the fabric, furniture, fittings and organ of the Parish Church, the cost of insurance of the Parish Church, the maintenance of music and the provision of music therein, and in aid of the stipends of clergy officiating at the Parish Church and administration salaries. Along with the £50,000 set aside for the Church Reserve Repair Fund the charity was able to report a surplus of income over expenditure of over £200,000 in 2023 and 2022 showing a return to some level of stability following the pandemic enabled by the ongoing strategy review (considered under Financial Review below).

Towards the end of the year the Trustees commission Red Book valuations of their properties. The valuations totalled £11,175,000 and contributed towards an increase in the Charity's net assets from £11,020,181 in 2022 to £13,840,764, thus making a significant recovery towards the pre-covid levels of their net assets in 2019 of £16,514,995.

Prior to her retirement in October 2023, the services of the Assistant Clerk were made available at no cost to The St Michael's Oxford Educational Trust to whom she was Clerk; this role has now been taken over by the Charity's Clerk. The St Michael's Oxford Educational Trust is a small trust awarding grants for educational purposes, five of whose eight trustees are also Feoffees.

**St Michael's and All Saints' Charities
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**Trustees' Report (continued)
for the year ended 31st December 2023**

Financial Review

General

The Charity's income has increased in 2023 totalling £667,264 as compared to £598,134 in 2022 and £269,577 in 2021. In 2022, the trustees commissioned a strategic review of their property holdings, the aims of which were to regularise rent payments; to renegotiate leases with a view to property income being more easily predictable; to reduce the need for expertise in managing the trustees' property investments; to achieve a more balanced investment portfolio overall by reducing exposure to properties; and to increase the liquidity of unrestricted reserves. This strategy was adopted and is being implemented by Savills, Chartered Surveyors. Although the increase in income reflects the effectiveness of Savills' efforts, income streams remain fragile and uncertain with some substantial expenditure on property anticipated in the short term as the strategy review is implemented.

Reserves Policy

The Charity maintains reserves so that it can continue to fulfil the aims described in the Public Benefit Statement above. It believes the holding of such reserves is especially important currently, and that such reserves have been invaluable in safeguarding the Charity against both the unforeseen drop in income caused by several factors, and potential liabilities for rates on empty properties.

The Charity has allocated part of its reserves for investment in property and securities as shown within designated funds. If need be, investments within such designated funds can be realised, enabling the proceeds to become "free reserves". In the meantime the Charity will seek to maintain the designated funds at a level that is, together with the income from the permanent endowment, sufficient to meet both existing and increased demands for support.

Reserves Position

At the end of December, the balance held as unrestricted funds was £4,855,560 (2022: £3,841,662) of which £1,147,467 (2022: £908,484) are regarded as free reserves [Note 13]. Free reserves are those unrestricted funds not invested in tangible fixed assets or in investments. Free reserves exclude restricted funds and funds designated for specific purposes or otherwise committed.

In addition, in order to present clearly the true free reserves position in the annual accounts, such unrestricted funds as are represented by fixed assets and investments have been transferred into separate designated funds. The net asset analysis is shown in note 8 and movements during the year are shown in note 13. Income generated by the assets in the designated funds is applied to the unrestricted fund with the designation applying solely to the capital value of the assets it represents.

The unrestricted fund expended £378,281 (2022: £321,096) whilst incoming resources were £667,264 (2022: £598,134). The total net movement in funds was £288,983 before the transfers of the designated Church Reserve Repair Fund and Investment Fund (2022: £277,038). The designated investment fund had net gains of £90,959 (2022: losses of £74,291) due to realised and unrealised investment gains of £90,959 (2022: losses of £74,291). In addition, in 2023 there were fixed asset revaluation gains of £633,956 (2022: losses of £115,822) [Note 13].

Permanent Endowment Position

The Permanent Endowment fund which is shown in the accounts at market value, increased in value by £1,800,400 (2022: decrease of £419,917) due to net revaluation gains of investments £56,356 (2022: net revaluation losses of £71,245) [Note 4] during the year combined with investment management expenses of £Nil (2022: £1,594) and a net gain on fixed asset revaluation £1,744,044 (2022: losses of £347,078) [Note 2].

**St Michael's and All Saints' Charities
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**Trustees' Report (continued)
for the year ended 31st December 2023**

Investment Policy

It is the policy of the Feoffees to invest their funds in property and other assets so as to generate sufficient income to enable the Feoffees to meet their obligations (a) to defray the costs of managing their property and those related to the administration and management of the Charity; (b) to meet the costs of repairs to the fabric of St Michael North Gate and the maintenance of its services, including the provision of music and related insurance; (c) support the stipends of its clergy; and (d) subject thereto, to generate income to fund donations to other beneficiaries of the Charity, at the same time maintaining the real value of the capital of the Charity. In 2021 the Feoffees decided to follow closely the Church of England Ethical Policy on investments by shifting their holdings in COIF Charities Investment funds into the COIF Charities Ethical Investment funds.

Property Investments

The major source of the income of the Charity is rent received from freehold and leasehold properties in the centre of Oxford. In view of the need for decisions on property matters between meetings, the Feoffees have a Property and Investment Sub-Committee at present comprising five Feoffees with experience and expertise in property and investment matters, together with the Clerk. At their meeting in February 2022 the Feoffees delegated routine decisions on property matters to the Committee Chair and the Clerk. Meetings of the Committee take place in the run up to full meetings of the Feoffees, at which recommendations of the Committee are considered and acted upon.

Most of the Charity's properties were occupied throughout the year but at the start of 2022, the dramatic drop in rents since 2020, caused by the pandemic, by the continuing effects of the presence of the extended Westgate shopping centre and the growth in internet shopping, showed no sign of reversal. Furthermore, the possibility of tenants vacating properties continually posed the threat of substantial liabilities for rates. Accordingly, in 2022 the decision was made to commission from Savills, Chartered Surveyors, a strategic review of their property holdings, with the aims described under 'General' above.

Savills' strategy was adopted by the Feoffees and its implementation is ongoing. The Chair of the Property and Investment Sub-Committee and the Clerk meet with Savills monthly to monitor progress. They then report to the Property and Investment Sub-Committee, which in turn makes recommendations to full meetings of the Feoffees. The improvement in rental income noted in 2022 has continued in 2023, and the accomplishment of the strategic aims of the review is in hand.

Savills are also engaged in the day to day management of the charity's properties; the aims of this service are to ensure that relations with the trustees' occupiers are conducted, and the Feoffees' obligations as property owners are met, in a professional and timely manner. The Feoffees are satisfied these aims are being achieved.

Portfolio Investments

Following a decision in 2022 to sell the investments managed by WH Ireland and invest them in COIF Charities Ethical Investment Fund, the Charity's portfolio investments are all held in the COIF Ethical Investment Fund. During the year the investments excluding property held by the charity increased in value by £147,315; in 2022 they decreased by £145,536. Yearly management fees incurred on the investment portfolio were nil (2022: £1,594).

Policy on grant making

As in previous years, as well as payments made to St Michael's at the Northgate for the purposes described in paragraphs A, B and C on page 3 above, the Feoffees provided additional support for the Parish of St Michael's in the form of £81,250 towards administration salaries (2022: £61,528). In the light of deficits indicated by cash flow projections, and the decision to invest in the strategic review, the trustees reluctantly decided to halt the award of other grants until the outcome of the strategy review had emerged, with this decision being reviewed regularly at trustee meetings.

**St Michael's and All Saints' Charities
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**Trustees' Report (continued)
for the year ended 31st December 2023**

Plans for the future

The implementation of the strategy review described above will continue to remain the focus for the next few years, with its objectives of regularising rent payments; renegotiating leases with a view to property income being more easily predictable; reducing the need for expertise in managing the trustees' property investments; achieving a more balanced investment portfolio overall by reducing exposure to properties; and increase the liquidity of unrestricted reserves. This will enable the commitments in A-C above to continue to be securely provided for.

Whilst the Feoffees are implementing the recommendations made in the strategy review, they have regrettably paused the award of grants to third-party charities not related to the Parish Church.

Nevertheless, the Feoffees remain committed to supporting charities meeting need in Oxford and the surrounding county in the medium to long term, and it is their intention to resume award of grants as soon as their finances allow. With the assistance of its professional advisers the Feoffees aim to optimise returns on its properties and investments.

Fundraising Standards Information

The Charity does not carry out any significant fundraising activities.

Pay policy for staff

The Feoffees consider that they, as the Charity's trustees, comprise the key management personnel of the charity in charge of directing, controlling, running and operating the Charity on a day-to-day basis. All Feoffees give of their time freely and no Trustee received remuneration in their capacity as Trustee during the year.

Following a benchmarking exercise in 2014, staff pay is reviewed by the Feoffees and normally increased annually in line with the Consumer Price Index.

Trustees' responsibilities statement

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).

The law applicable to charities in England & 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 charity and of the incoming resources and application of resources 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 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 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. 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.

**St Michael's and All Saints' Charities
Church Branch
(The St Michael's and All Saints' Charity)**
**Independent Auditors' Report
to the Trustees of St Michael's and All Saints' Charities
Church Branch**

Opinion

We have audited the financial statements of St Michael's and All Saints' Charities Church Branch (the 'charity') for the year ended 31st December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of 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 charity's affairs as at 31st December 2023, and of its incoming resources and application of resources, 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 Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

St Michael's and All Saints' Charities
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(The St Michael's and All Saints' Charity)
Independent Auditors' Report (continued)
to the Trustees of St Michael's and All Saints' Charities
Church Branch

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
sufficient accounting records have not been kept; or
the financial statements are not in agreement with the accounting records; or
we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 7, the trustees are responsible for the preparation of 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- 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.

**St Michael's and All Saints' Charities
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Independent Auditors' Report (continued)
to the Trustees of St Michael's and All Saints' Charities
Church Branch**

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

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Wenn Townsend
Chartered Accountants and Statutory Auditors
30 St Giles
Oxford
OX1 3LE

19th August 2024

Wenn Townsend is eligible to act as an auditor in terms of section 1212

St Michael's and All Saints' Charities - Church Branch (The St Michael's and All Saints' Charity)
Statement of Financial Activities for the year ended 31st December 2023

		General Unrestricted Fund 2023 £	Designated Fund 2023 £	Permanent Endowment Fund 2023 £	Total 2023 £	General Unrestricted Fund 2022 £	Designated Fund 2022 £	Permanent Endowment Fund 2022 £	Total 2022 £
Note									
Income and endowments:									
<i>Voluntary income</i>									
	Donations	-	-	-	-	8,232	-	-	8,232
<i>Investment income</i>									
	Rents receivable	603,057	-	-	603,057	569,150	-	-	569,150
	Interest/dividends	64,207	-	-	64,207	20,752	-	-	20,752
	Total income and endowments	667,264	-	-	667,264	598,134	-	-	598,134
Expenditure:									
Costs of generating funds									
	Property repairs and maintenance	129,539	-	-	129,539	92,913	-	-	92,913
	Investment management expenses	-	-	-	-	-	-	1,594	1,594
9	Support costs allocation	26,727	-	-	26,727	27,592	-	-	27,592
		156,266	-	-	156,266	120,505	-	1,594	122,099
Charitable activities									
	Church repairs and expenses	156,125	-	-	156,125	136,127	-	-	136,127
	Clergy	39,162	-	-	39,162	36,872	-	-	36,872
9	Support costs allocation	26,728	-	-	26,728	27,592	-	-	27,592
		222,015	-	-	222,015	200,591	-	-	200,591
	Total expenditure	378,281	-	-	378,281	321,096	-	1,594	322,690
	Net income/(expenditure)	288,983	-	-	288,983	277,038	-	(1,594)	275,444
Other recognised gains and losses									
2	Fixed asset revaluation	-	633,956	1,744,044	2,378,000	-	(115,822)	(347,078)	(462,900)
4	Realised gains on disposal of investments	-	-	-	-	-	(1,060)	(22,823)	(23,883)
4	Unrealised gains/(losses) on investments	-	90,959	56,356	147,315	-	(73,231)	(48,422)	(121,653)
	Net movement in funds before transfers	288,983	724,915	1,800,400	2,814,298	277,038	(190,113)	(419,917)	(332,992)
12	Transfer	(50,000)	50,000	-	-	(200,000)	200,000	-	-
	Net movement after transfers	238,983	774,915	1,800,400	2,814,298	77,038	9,887	(419,917)	(332,992)
	Funds at 1st January 2023	908,484	2,933,178	7,178,519	11,020,181	831,446	2,923,291	7,598,436	11,353,173
	Funds at 31st December 2023	1,147,467	3,708,093	8,978,919	13,834,479	908,484	2,933,178	7,178,519	11,020,181

**St Michael's and All Saints' Charities
Church Branch
(The St Michael's and All Saints' Charity)**

**Balance Sheet
31st December 2023**

	Note	£	2023 £	£	2022 £
Fixed assets					
Freehold and leasehold properties	2		11,175,000		8,797,000
Fixtures, fittings and equipment	3		-		-
Investments	4		1,412,012		1,264,697
			<u>12,587,012</u>		<u>10,061,697</u>
Current assets					
Cash at bank			157,118		335,410
Charities deposit fund			1,230,225		610,225
Debtors and prepayments	5		54,360		149,133
			<u>1,441,703</u>		<u>1,094,768</u>
Current liabilities					
Sundry creditors	6		(194,236)		(136,284)
			<u>1,247,467</u>		<u>958,484</u>
Net current assets					
			<u>13,834,479</u>		<u>11,020,181</u>
Net assets			<u><u>13,834,479</u></u>		<u><u>11,020,181</u></u>
Financed by:					
Unrestricted funds	7 / 12		1,147,467		908,484
Designated funds	7 / 12		3,708,093		2,933,178
Permanent endowment funds	7 / 12		8,978,919		7,178,519
			<u>13,834,479</u>		<u>11,020,181</u>
Total funds			<u><u>13,834,479</u></u>		<u><u>11,020,181</u></u>

The financial statements were approved and authorised for issue by the Feoffees on 19th August 2024.

Signed on behalf of the Feoffees

.....
A Buckley

.....
R Loseby

St Michael's and All Saints' Charities
Church Branch
(The Church Houses Relief in Need Charity)

Statement of Cash Flows
for the year ended 31st December 2023

Reconciliation of increase in funds to net cash flow from operating activities

	2023 £	2022 £
Increase in funds	2,814,298	(332,992)
Decrease in debtors	94,773	7,528
Increase / (decrease) in creditors	57,952	(18,275)
Interest/dividends received	(64,207)	(20,752)
Loss/(gain) on investments	(147,315)	145,536
Revaluation (loss) / gain on fixed assets	(2,378,000)	462,900
Net cash flow from operating activities	<u>377,501</u>	<u>243,945</u>
Cash flow from investing activities		
Purchase of investments	-	(703,913)
Proceeds on sale of investments	-	705,507
Interest/dividends received	64,207	20,752
Net cash flow from investing activities	<u>64,207</u>	<u>22,346</u>
Increase/(decrease) in cash	<u><u>441,708</u></u>	<u><u>266,291</u></u>
 Movement in cash	 441,708	 266,291
Net cash at 1st January	<u>945,635</u>	<u>679,344</u>
Net cash at 31st December	<u><u>1,387,343</u></u>	<u><u>945,635</u></u>

**St Michael's and All Saints' Charities
Church Branch
(The St Michael's and All Saints' Charity)**

**Notes to the Accounts
for the year ended 31st December 2023**

1 General information and accounting policies

St Michael's and All Saints' Charities is regulated by a Scheme sealed by the Charities Commission on 18th February 1991. The address of the registered office is given in the charity information on page 1 of these financial statements.

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the accounts of St Michael's and All Saints' Charities.

Accounting basis

These accounts have been prepared on an accruals basis and include income and expenditure as they are earned or incurred, rather than as cash is received or paid. 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 UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, and UK Generally Accepted Accounting Practice. The accounts include all the transactions, assets and liabilities for which the Charity is responsible in law. The Charity constitutes a public benefit entity as defined by FRS 102. The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern. The impact of COVID-19 has been taken in to account when reaching this conclusion.

Fixed assets

The freehold and leasehold properties are held as investments. These properties were valued by Savills as at 31st December 2023.

Depreciation

Investment properties are not depreciated in accordance with prevailing accounting standards, and instead reviewed for impairment at each year end. Depreciation of other fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Fixtures, fittings and equipment	25% Straight line
----------------------------------	-------------------

Investments

Investments are included in the accounts at market value. Realised gains/(losses) are those arising between the sale of an investment and its value at beginning of the year. Unrealised gains/(losses) are those arising where the investment is still held but the value has changed.

Income recognition

Rental income

Rental income is recognised by the period the rent covers.

Grants payable

Grants are accounted for when approved by the Trustees.

Investment income

Investment income is accounted for on an accruals basis.

Fund accounting

i) Unrestricted funds

Unrestricted funds include designated funds which were funds set aside out of general funds and designated for specific purposes by the Trustees.

**St Michael's and All Saints' Charities
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(The St Michael's and All Saints' Charity)**

**Notes to the Accounts (Continued)
for the year ended 31st December 2023**

ii) Restricted funds

Restricted funds are funds which have been raised for, and their use restricted to, a specific purpose, or donations subject to donor-imposed conditions. No such funds are identified.

iii) Permanent endowment funds

A permanent endowment fund must be held permanently. The income from it is unrestricted.

Judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, the Feoffees are required to make judgements, estimated and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimated 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 estimated are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The judgement that has a significant effect on amounts recognised in the financial statements is the valuation of investments property held by the charity at the end of 2022, as detailed in note 2.

2 Freehold and leasehold properties

	1st January 2023 £	Revaluation Adjustment £	31st December 2023 £
Investment property	8,797,000	2,378,000	11,175,000

Current year split by fund

	Designated Fund £	Endowment Fund £	Total 2023 £
Investment property	2,826,216	8,348,784	11,175,000

Prior year split by fund

	Designated Fund £	Endowment Fund £	Total 2022 £
Investment property	2,192,260	6,604,740	8,797,000

These properties were valued by Savills as at 31st December 2023.

Based on the above valuations, the current year revaluation gain of the property in the Designated fund is £633,956 (2022: (£115,822)), and the Endowment fund is £1,744,044 (2022: (£347,078)).

One of the charity's properties is jointly owned (50:50) with the Relief Branch. The value of this property at the end of the year was £0.8m (2022: £0.988m). During the current year a revaluation loss of £94k (2022: £26k) was recognised in the Church and Relief Branch Statement of Financial Activities.

**St Michael's and All Saints' Charities
Church Branch
(The St Michael's and All Saints' Charity)**

**Notes to the Accounts (Continued)
for the year ended 31st December 2023**

3 Fixtures, fittings and equipment

	Total £
Brought forward cost	
At 1st January 2023 and at 31st December 2023	21,906
Accumulated depreciation	
At 1st January 2023 and at 31st December 2023	21,906
Net book value	
At 31st December 2023 and at 31st December 2023	-

4 Investments

	Designated Investments £	Permanent Endowment Fund £	Total £
Market value at 1st January 2023	690,918	573,779	1,264,697
Net gains on revaluation: - unrealised	90,959	56,356	147,315
Market value at 31st December 2023	781,877	630,135	1,412,012

The net gains on revaluation of investments including amounts recorded in the Statement of Financial Activities in designated funds are £90,959 (2022: losses of £74,291) and permanent endowment funds were gains of £56,356 (2022: losses of £71,245).

Investments held	Designated £	Endowment £	Total £
209,347 COIF Charities Ethical Investment Income Fund - income	-	630,135	630,135
148,446 COIF Charities Ethical Investment Income Fund – accumulation	781,877	-	781,877
	781,877	630,135	1,412,012

**St Michael's and All Saints' Charities
Church Branch
(The St Michael's and All Saints' Charity)**

**Notes to the Accounts (Continued)
for the year ended 31st December 2023**

5 Debtors and prepayments

	2023	2022
	£	£
Under one year:		
Trade debtors net of provision for doubtful debts	7,000	133,428
Other debtors	36,725	-
Prepayments	4,943	15,607
Amounts owed by connected charities	5,692	98
	<u>54,360</u>	<u>149,133</u>

6 Sundry creditors

	2023	2022
	£	£
Amounts due in respect of taxation and social security	6,284	12,105
Trade creditors	-	3,359
Accruals and deferred income	125,432	71,701
Other creditors	62,520	49,119
	<u>194,236</u>	<u>136,284</u>
Deferred income consists of rent in advance: -		
Released from previous year	<u>63,616</u>	<u>93,669</u>
Deferred in current year	<u>87,909</u>	<u>63,616</u>

**St Michael's and All Saints' Charities
Church Branch
(The St Michael's and All Saints' Charity)**

**Notes to the Accounts (Continued)
for the year ended 31st December 2023**

7 Net asset analysis – 2023

	Freehold and leasehold properties £	Fixtures fittings and equipment £	Investments £	Net current assets £	Total £
Unrestricted					
- General Unrestricted "Free" Reserves	-	-	-	1,147,467	1,147,467
Designated					
- Property Fund	2,826,216	-	-	-	2,826,216
- Investments Fund	-	-	781,877	-	781,877
- Church Reserve Repair Fund	-	-	-	100,000	100,000
Endowment					
- Permanent Endowment Funds	8,348,784	-	630,135	-	8,978,919
	11,175,000	-	1,412,012	1,247,467	13,834,479

Net asset analysis – 2022

	Freehold and leasehold properties £	Fixtures fittings and equipment £	Investments £	Net current assets £	Total £
Unrestricted					
- General Unrestricted "Free" Reserves	-	-	-	908,484	908,484
Designated					
- Property Fund	2,192,260	-	-	-	2,192,260
- Investments Fund	-	-	690,918	-	690,918
- Church Reserve Repair Fund	-	-	-	50,000	50,000
Endowment					
- Permanent Endowment Funds	6,604,740	-	573,779	-	7,178,519
	8,797,000	-	1,264,697	958,484	11,020,181

General Unrestricted Free Reserves are those funds freely available to use in connection with the charity's principal aims and objectives.

Designated funds have been established by the Feoffees for specific purposes as follows:-

The Property Fund has been established to report the value of properties not forming part of the permanent endowment.

The Investment Fund represents the market value of investments held at the balance sheet date not forming part of the permanent endowment held at the balance sheet date.

The Church Reserve Repair Fund has been established to accumulate funds for anticipated future expenditure on the Church and other associated repairs and maintenance.

**St Michael's and All Saints' Charities
Church Branch
(The St Michael's and All Saints' Charity)**

**Notes to the Accounts (Continued)
for the year ended 31st December 2023**

8 Staff Costs

	2023 £	2022 £
Gross wages	29,636	37,588
Employers National Insurance	2,364	2,876
Employment allowance	(2,364)	(2,876)
	<u>29,636</u>	<u>37,588</u>

There were 2 part-time employees during the year. No employee was paid more than £60,000 in the year.

9 Allocation of support costs

The charity allocates its support costs as shown in the table below. Support costs are allocated on a basis consistent with the use of resources.

	Cost of generating funds £	Charitable activities £	2023 Total £	2022 Total £
Support costs				
Staff costs	16,793	16,794	33,587	37,588
Insurance	508	508	1,016	1,082
General office expenses and repairs	1,220	1,220	2,440	6,734
Audit fee	3,150	3,150	6,300	6,000
Other accountancy services	3,116	3,116	6,232	3,780
Legal and professional	1,940	1,940	3,880	-
Total	<u>26,727</u>	<u>26,728</u>	<u>53,455</u>	<u>55,184</u>

10 Trustees' remuneration

No remuneration was paid to any Trustee in their capacity as Trustee (2022: £Nil).

None of the Trustees was reimbursed for expenses during the year (2022: £Nil).

The cost of the Trustees' Indemnity Insurance to the charity for the year was £1,336 (2022: £1,082) of which £895 was apportioned to the Church branch.

**St Michael's and All Saints' Charities
Church Branch
(The St Michael's and All Saints' Charity)**

**Notes to the Accounts (Continued)
for the year ended 31st December 2023**

11 Connected charity

An amount of £11,977 was owed by the St Michael's and All Saints' Charity Relief Branch (The Church Houses Relief in Need Charity) (2022: £98 owed by the Relief Branch), a connected charity, in respect of rents collected for 136 High Street not yet transferred.

12 Statement of funds

Analysis of funds - 2023

	Opening Balance £	Income £	Expenditure £	Transfer £	Gains / Losses £	Closing Balance £
Unrestricted						
- General Unrestricted "Free" Reserves	908,484	667,264	(378,281)	(50,000)	-	1,147,467
Designated						
- Property Fund	2,192,260	-	-	-	633,956	2,826,216
- Investments Fund	690,918	-	-	-	90,959	781,877
- Church Reserve Repair Fund	50,000	-	-	50,000	-	100,000
	2,933,178	-	-	-	724,915	3,708,093
Endowment						
- Permanent Endowment Funds	7,178,519	-	-	-	1,800,400	8,978,919
Total funds	11,020,181	667,264	(378,281)	-	2,525,315	13,834,479

Analysis of funds - 2022

	Opening Balance £	Income £	Expenditure £	Transfer £	Gains / Losses £	Closing Balance £
Unrestricted						
- General Unrestricted "Free" Reserves	831,446	598,134	(321,096)	(200,000)	-	908,484
Designated						
- Property Fund	2,308,082	-	-	-	(115,822)	2,192,260
- Investments Fund	615,209	-	-	150,000	(74,291)	690,918
- Church Reserve Repair Fund	-	-	-	50,000	-	50,000
	2,923,291	-	-	200,000	(190,113)	2,933,178
Endowment						
- Permanent Endowment Funds	7,598,436	-	(1,594)	-	(418,323)	7,178,519
Total funds	11,353,173	598,134	(322,690)	-	(608,436)	11,020,181

**St Michael's and All Saints' Charities
Church Branch
(The St Michael's and All Saints' Charity)**

**Notes to the Accounts (Continued)
for the year ended 31st December 2023**

13 Related parties

During the year ended 31st December 2023, transactions with related parties were as follows:

During the year, Sir Nigel Shadbolt, Prof H Woudhuysen, Mr M Lear, Mr R Earl, Mr M Lebus, the Reverend A Buckley and Mrs P Warner were also Trustees of St Michael's Oxford Educational Trust.

The Reverend A Buckley, Mr R Earl, Mrs P Warner, Miss P Dailey and Mr M Lebus were also Trustees of St Michael at the North Gate with St Martin and All Saints. During the year, the following amounts were paid to the church: -

	2023 £	2022 £
Church expenses (including IT and insurance)	22,924	16,607
Church repairs	22,062	26,059
Church administration salaries	81,250	61,528
Music	32,833	35,614
Budget shortfall not accrued	-	(3,681)
Vat	(2,944)	-
	<u>156,125</u>	<u>136,127</u>

At the year end, an amount of £Nil (2022: £ Nil) was due from St Michael at the North Gate with St Martin and All Saints.