



DIOCESAN TRUSTEES (OXFORD) LIMITED

Directors' Report and Financial Statements

for the year ended 31 December 2015

Company Registration Number 867729
Charity Registration Number 253575

REGISTERED & PRINCIPAL OFFICE:

CHURCH HOUSE OXFORD
LANGFORD LOCKS
KIDLINGTON
OXFORD
OX5 1GF

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GLOSSARY

| | |
|--------|---|
| CBF | Central Board of Finance of the Church of England |
| CCLA | CCLA Investment Managers Ltd |
| COIF | Charities Official Investment Fund |
| CSUST | Church Schools Uniform Statutory Trust |
| DT(O)L | Diocesan Trustees (Oxford) Limited |
| LA | Local Authority |
| ODBE | Oxford Diocesan Board of Education |
| ODBF | Oxford Diocesan Board of Finance |
| PCC | Parochial Church Council |
| SOFA | Statement of Financial Activities |
| SORP | Statement of Recommended Practice |

DEFINITIONS

| | |
|--------------------|---|
| Diocesan Authority | Under the Parochial Church Council (Powers) Measure 1956 and the Incumbent and Churchwardens (Trusts) Measure 1964, this is a body appointed to act as trustee of diocesan trust property. When acting as Diocesan Authority, DT(O)L must give prior consent to the charity trustees' resolved transaction. |
| Managing Trustee | A managing trustee is a charity trustee responsible for controlling the management and administration of a charity. |
| Custodian Trustee | A custodian trustee is a body that holds the legal title to a charity's property or investments. A custodian trustee has no management role but must act on the instruction of the charity's trustees. |
| Sole Trustee | A sole trustee is one which undertakes alone the role of a charity trustee as well as that of custodian trustee. |

DIRECTORS' ANNUAL REPORT 2015

The Trustees, who are also Directors for the purposes of company law, present their annual report together with the audited financial statements for the year ended 31 December 2015.

OBJECTIVES AND ACTIVITIES

The Charity exists to promote the work of the Church of England in the Diocese of Oxford for the advancement of the Christian religion and to that end to accept and administer property of any kind to be held in trust as appropriate. The Charity holds no funds of its own.

The Charity aims to provide the following services in support of the Church of England in the Diocese of Oxford by fulfilling the roles of:

- Diocesan Authority and Custodian Trustee
- Sole Trustee of certain charitable trust funds.

Diocesan Authority and Custodian Trustee

As Diocesan Authority, the Charity administers trusts set up after the date of incorporation and administers trusts on behalf of ODBF, in accordance with the Parochial Church Councils (Powers) Measure 1956 or the Incumbents and Churchwardens (Trusts) Measure 1964. As Custodian Trustee, the Charity holds the investment of permanent or expendable endowments. In acting as Diocesan Authority or Custodian Trustee, the Charity assists the managing trustees in the administration of trusts, including the implementation of investment instructions, production of the annual statement of funds, provision of advice in conjunction with the Diocesan Registrar and the safe keeping of legal documents and title deeds. A financial summary of each trust fund, prepared on a receipts and payments basis, is issued to the Managing Trustees by the Trusts Administrator at Church House Oxford. The Charity is also the Diocesan Authority or Custodian Trustee for parish and ecclesiastical/educational trusts within the Diocese whose assets are land and buildings.

As Diocesan Authority or Custodian Trustee, the Charity oversaw the investments of 712 financial trusts (2014: 719) with a total value of £46,661,171 at the end of 2015 (2014: £46,761,851). A total of £1.6 million of additional capital was accepted during 2015 (2014: £0.5 million). Neither the capital nor the income relating to these trusts are included in the Charity's financial statements. It is the responsibility of managing trustees to include their financial and property assets and income in the annual accounts of their Parochial Church Council (PCC) or other charitable trusts.

Sole Trustee

The Charity is the Sole Trustee of all the trusts that are included in the financial statements. The principal trust is the Church Schools Uniform Statutory Trust (CSUST). This fund arises from the sale proceeds or rent of closed schools and school houses in the Diocese and is administered by the Charity in consultation with ODBE under the terms of trust set out in note 11 of the financial statements.

OBJECTIVES AND ACTIVITIES (continued)

CSUST supports the work of ODBE, which exists to fulfil the statutory duties of the Diocese of Oxford for the education of children in the Diocese in accordance with the Diocesan Boards of Education Measure 1991 (as amended), by:

making a contribution towards ODBE's running costs incurred in offering pastoral and professional support to Church of England school staff and their pupils and

making grants and loans to support Church of England Schools in the Diocese to help governing bodies fund their portion of repairs and improvements to school buildings.

ACHIEVEMENTS AND PERFORMANCE

Diocesan Authority and Custodian Trustee

The Charity has successfully performed its role as Diocesan Authority or Custodian Trustee during 2015 and has contributed to the public benefit delivered through the ecclesiastical parishes within the Diocese by assisting PCCs and other local church trustees, who act as the managing trustees, in the administration of trusts, including the implementation of investment instructions, production of the annual statement of funds, provision of advice in conjunction with the Diocesan Registrar and the safe keeping of legal documents and title deeds. Parishes generally contribute to the public benefit by:

- Providing places of worship, including services for worship which are open to all, weddings and funerals, and assisting with the upkeep of churchyards;
- Raising awareness of the Christian faith, including the provision of Christian teaching, the promotion of prayer and the provision of support for schools;
- Mission and outreach work, including hospital visiting, the encouragement of and support for pastoral work; and
- Providing Christian communication including sermons, talks and public meetings.

Sole Trustee and Managing Trustee

The Charity has successfully performed its role as the sole trustee of CSUST during 2015 and has contributed to the public benefit delivered through the Church of England schools, with some 56,000 pupils across the Diocese by contributing to the cost of providing educational services and support to schools in accordance with the Diocesan Boards of Education Measure 1991 and has therefore helped to promote:

- Education in the Diocese consistent with the faith and practice of the Church of England;
- Religious education and worship in schools; and
- The open admissions policy of the Diocese of Oxford.

PLANS FOR THE FUTURE

The directors intend to continue to perform the core roles of Diocesan Authority and Sole Trustee as explained above.

FINANCIAL REVIEW

Overall result

The net income for the year was £257,806 (2014 net expenditure £288,243) with an overall net increase in funds of £331,948 (2014: decrease of £28,784), after taking account of £74,142 recognised gains on investments (2014: £259,459 gain).

Investment performance

The total value of funds, based on balance sheet totals, for which the Charity acts as managing trustee increased from £7,389,179 at 31 December 2014 to £7,721,127 at 31 December 2015. Of these funds £7,526,118 (2014: £7,200,573) were funds of CSUST consisting of Capital Funds of £6,026,766 (2014: £5,516,726) and Accumulated Income Funds of £1,499,352 (2014: £1,683,847). (See note 14 to the financial statements).

During the year the CBF Investment Funds increased in value, by 1.36% (2014: 5.3%) and Charifund units decreased by 0.3% (2014: decreased by 0.1%). These two funds form 87.3% of the total investments (2014: 90.7%)

The capital values of investments increased by during 2015, when the FTSE 100 index decreased by 4.9% (2014: decreased by 2.7%) The directors continue to take advice on how best to balance capital risk against maintaining income in the medium to long term.

Investment policy

The Charity has the power to make any investments, which the directors deem fit, and which further the charity's aims.

The principles governing investment are generally driven by a need to be cautious to risk, balanced by a requirement to maximise long-term total returns. Risk is reduced by investment in shares and bond funds through investment vehicles such as investment companies and unit trusts. The investment policy aims to maintain a total return of both income and capital that meets both current needs and longer-term capital needs over a 5 to 10 year timescale.

The Charity takes strategic investment advice from a consultant.

FINANCIAL REVIEW (continued)

Investment Policy (continued)

Investments are in funds that, in the majority, have a policy of acting in a socially responsible manner and which have ethical policies that are, as far as possible, in line with the Charity's policies and objectives.

Reserves policy

Due to the nature of the Charity's activities, all reserves are either endowment or restricted funds. As the Charity acts principally as a trustee with no funds of its own and as ODBF bears the cost of administration, as detailed in note 16 to the financial statements, no general reserves need to be maintained to sustain the Charity.

Grant making policy

The Charity makes grant payments as managing trustee in accordance with the terms of each trust, as appropriate.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

Diocesan Trustees (Oxford) Limited (the Charity) is a Trust Corporation incorporated on 30 December 1965 as a charitable company limited by guarantee (company number 867729), which is governed by its Memorandum and Articles of Association and as a registered charity (No. 253575) is subject to the provisions of the Charities Acts. The value of the guarantee is one pound per member. Due to the nature of its activities, the Charity is not liable to Corporation Tax on the profits and income in these financial statements.

Board and Committee structure

The Governing Body usually meets four times a year. During 2015 three meetings were held. In addition, the Trustees' Investment Committee (TIC) is responsible for considering matters relating to the Church Schools Uniform Statutory Trust (CSUST) and for making recommendations to the governing body. The committee comprises the chairman and up to five other members of the governing body, including one representative of ODBE. The committee meets as necessary. The committee met twice during the year.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Appointment of directors

The Directors comprise:

- 6 Ex Officio Members
- 11 Members nominated by Diocesan Synod (3 from each Archdeaconry to represent the Archdeaconries of Dorchester, Berkshire and Buckinghamshire, of whom at least 2 shall be lay and 2 to represent the Archdeaconry of Oxford, of whom at least 1 shall be lay)
- 1 Member nominated by the Oxford Diocesan Board of Education (ODBE)

Up to 3 additional members may be co-opted.. Two further persons may be co-opted from time to time by the directors.

Directors receive induction training when first appointed and ongoing training as appropriate.

Directors normally serve for a three year term linked to Synodical elections.

Directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations. Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the net incoming or outgoing resources of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Directors' responsibilities (continued)

Where the Charity acts as the Sole Trustee, the directors are responsible for keeping proper accounting records of monies that disclose fairly and reasonably the financial position of those funds. Where the Charity acts as Diocesan Authority or Custodian Trustee, the accounting records are under the control of the managing trustees of each trust.

Related parties

The directors consider the following to be related parties:

- Oxford Diocesan Board of Finance (ODBF), a company with charitable status. The Charity administers trusts on behalf of ODBF.
- Oxford Diocesan Board of Education (ODBE), a company with charitable status.

Transactions with related parties are disclosed in note 16 to the financial statements.

Risk management

As part of the overall review of risk carried out by ODBF, the directors confirm that the major risks to which the Charity is exposed, as identified by the directors, have been reviewed and systems have been established to manage those risks. The risk management strategy that has been set up comprises an annual review of risks which the Charity may face, the establishment of systems and procedures to manage identified risks and the implementation of procedures designed to minimise any potential impact on the Charity should those risks materialise.

The principal risks are that investment income may fall and that investments may lose their value and thereby render the various trusts unable to meet their charitable objectives. Whilst the risks inherent in investment markets remain, the directors mitigate the risk by the regular review of investment performance by the Trustees Investment Committee (TIC).

Public Benefit

The directors have complied with section 4 of the 2011 Charities Act having due regard to guidance published by the Charity Commission. The directors are aware of the Charity Commission's guidance on public benefit and, in particular, the supplementary guidance for charities whose aims include advancing religion and have regard to that guidance in their administration of the charity. This is more fully explained in the achievements section of this report.

Funds held as the Diocesan Authority or as Custodian Trustee

The directors recommend that the managing trustees of trust funds should review periodically the investments held for trusts taking professional investment advice, as appropriate. Cash and investments are held separately for each trust.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Charitable and political donations

The Charity itself has made no charitable donations or political contributions during the year.

REFERENCE AND ADMINISTRATIVE DETAILS**DIRECTORS**

The following were the directors at the date of this report. All have served throughout the year except where indicated otherwise:

| Director | Basis of appointment |
|---|--|
| Mr T W P Bridges* (Chairman) | Archdeaconry of Oxford |
| Mr G S Anderson* | ODBE nominated |
| Mrs J A Babb | Archdeaconry of Buckingham |
| His Honour R C Elly | Archdeaconry of Berkshire |
| The Ven J K French | Ex Officio, The Archdeacon of Dorchester |
| The Ven M C Gorick | Ex Officio, The Archdeacon of Oxford |
| The Ven O J Graham | Ex Officio, The Archdeacon of Berkshire |
| Mr M R Hardman* | Archdeaconry of Buckingham |
| The Revd Dr Canon S M Jones (from 08.02.2016) | Archdeaconry of Oxford |
| Mr M Powell (from 17.11.2015) | Archdeaconry of Dorchester |
| The Revd J H Tattersall | Ex Officio – ODBF Chairman |
| Mr E L S Weiss | Archdeaconry of Buckingham |

Directors whose term of office came to an end during the year or by the date of this report:

| | |
|--|--|
| The Ven K M Gorham (resigned 29.02.2016) | Ex Officio, The Archdeacon of Buckingham |
| Brigadier M Lord (deceased 27.10.2015) | Archdeaconry of Berkshire |
| Mr D J V Wright* (resigned 19.7.2015) | Archdeaconry of Oxford |

Secretary: Mrs R.A Pearce, who is responsible for the day-to-day management of the Charity.

*Member of the Trustees' Investment Committee (TIC).

Registered Office: Church House Oxford, Langford Locks, Kidlington, Oxford, OX5 1GF

Bankers: National Westminster Bank plc, 32 Cornmarket Street, Oxford OX1 3EZ

Auditors: Critchleys LLP, Greyfriars Court, Paradise Square, Oxford OX1 1BE

Solicitors: Winckworth Sherwood LLP, 16 Beaumont Street, Oxford OX1 2LZ

REFERENCE AND ADMINISTRATIVE DETAILS (continued)

Investment advisers CCLA Investment Management Ltd
80 Senator House, 85 Queen Victoria Street, London, EC4V 4ET

Insurers: Ecclesiastical Insurance Office plc, Beaufort House, Brunswick Road, Gloucester GL1 1JZ

Consultant Mr P Saunders, Heron Cottage, The Street, North Stoke, Wallingford, Oxon OX10 6BL

BASIS OF PREPARATION

This report has been prepared in accordance with the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (the FRSSE), effective 1 January 2015.

STATEMENT OF DISCLOSURE TO AUDITORS

As far as the directors are aware, there is no relevant audit information of which the Charity's auditors are unaware.

The directors have taken all the steps they ought to have taken as trustees in order to make themselves aware of any relevant information and to establish that the Charity's auditors are aware of that information.

AUDITORS

A resolution will be proposed at the Annual General Meeting to reappoint Critchleys LLP as auditors to the Charity and to authorise the trustees of the Oxford Diocesan Board of Finance to fix their remuneration.

By Order of the Board

T W P Bridges
Chairman

9 May 2016

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DIOCESAN TRUSTEES (OXFORD) LIMITED

We have audited the financial statements of Diocesan Trustees (Oxford) Limited for the year ended 31 December 2015 which comprise the Statement of Financial Activities, Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law we do not accept or assume responsibility to anyone other than the charitable company and its members as a body for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on pages 5-6, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Director's report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit
- have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit
- the directors were not entitled to prepare the financial statements and the Directors' Report in accordance with the small companies regime.

Robert Kirtland
Senior Statutory Auditor
For and on behalf of Critchleys LLP

Date:

Critchleys LLP
Greyfriars Court
Paradise Square
Oxford
OX1 1BE

Statement of Financial Activities for the year ended 31 December 2015

| | Note | Unrestricted Funds £ | Restricted Funds £ | Endowment Funds £ | Total 2015 £ | Total 2014 £ |
|--|------|----------------------------|--------------------------|-------------------------|--------------------|--------------------|
| Income and Endowments from: | | | | | | |
| Donations | 2 | 98,078 | - | - | 98,078 | 91,282 |
| Investments | 3 | - | 342,779 | - | 342,779 | 389,793 |
| Sale of former school site | 4 | - | 505,354 | - | 505,354 | - |
| Total | | <u>98,078</u> | <u>848,133</u> | <u>-</u> | <u>946,211</u> | <u>481,075</u> |
| Expenditure on charitable activities: | | | | | | |
| Grants | 5a | - | (557,504) | - | (557,504) | (629,736) |
| Other | 5b | (98,078) | (32,823) | - | (130,901) | (139,582) |
| Total | | <u>(98,078)</u> | <u>(590,327)</u> | <u>-</u> | <u>(688,405)</u> | <u>(769,318)</u> |
| Net income/(expenditure) | | - | 257,806 | - | 257,806 | (288,243) |
| Other recognised gains | | | | | | |
| Gains on investments | 6 | - | 72,697 | 1,445 | 74,142 | 259,459 |
| Net movement in funds | | - | 330,503 | 1,445 | 331,948 | (28,784) |
| Reconciliation of funds: | | | | | | |
| Total funds brought forward | | - | 7,279,335 | 109,844 | 7,389,179 | 7,417,963 |
| Total funds carried forward | | - | 7,609,838 | 111,289 | 7,721,127 | 7,389,179 |

The Charity's income and expenditure all relates to continuing operations.

The Statement of Financial Activities and the Income and Expenditure Account are combined.

The notes on pages 13–23 form part of these financial statements.

DIOCESAN TRUSTEES (OXFORD) LIMITED

Directors' Report and Financial Statements for the year ended 31 December 2015

| Balance Sheet as at 31 December 2015 | | Company number 867729 | |
|---|------|------------------------------|------------------|
| | | 2015 | 2014 |
| | | £ | £ |
| | Note | | |
| Fixed assets | | | |
| Investments | 6 | <u>5,895,204</u> | <u>5,621,061</u> |
| Current assets | | | |
| Debtors due after more than one year | 7 | 174,997 | 622,044 |
| Debtors due within one year | 8 | 186,785 | 171,941 |
| Cash on deposit | | <u>1,931,819</u> | <u>1,593,052</u> |
| | | <u>2,293,601</u> | <u>2,387,037</u> |
| Creditors: amounts falling due within one year | 9 | (46,422) | (273,990) |
| Net current assets | | <u>2,247,179</u> | <u>2,113,047</u> |
| Total assets less current liabilities | | 8,142,383 | 7,734,108 |
| Creditors: amounts falling due after more than one year | 10 | <u>(421,256)</u> | <u>(344,929)</u> |
| | | <u>7,721,127</u> | <u>7,389,179</u> |
| Funds | | | |
| Capital funds | | | |
| Endowment funds | 13 | 111,289 | 109,844 |
| Restricted funds | 14 | <u>6,026,766</u> | <u>5,516,726</u> |
| | | 6,138,055 | 5,626,570 |
| Income funds | | | |
| Restricted funds | 14 | <u>1,583,072</u> | <u>1,762,609</u> |
| | | <u>7,721,127</u> | <u>7,389,179</u> |

The notes on pages 13-23 form part of these financial statements.

Included in the above are unrealised valuation gains amounting to £2,707,162 (2014: gains £2,633,019). See notes 13 to 14 to the financial statements.

These accounts are prepared in accordance with the provisions applicable to companies subject to the small companies' regime under the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved and authorised for issue by the Board of Directors on 9 May 2016 and signed on behalf of the Board by

T W P Bridges
Chairman

M R Hardman
Director

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies

Basis of accounting

The financial statements are prepared in accordance with the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (the FRSSE), effective 1 January 2015. They are prepared under the historical cost convention except that investments are included at market values using published mid-price figures.

Funds accounting

Details of the nature and purpose of each fund are set out in note 11. The Charity holds funds of the following types:

- Endowment Funds – Restricted funds that must be held permanently and the capital maintained.
- Restricted Funds – Funds that are subject to specific conditions imposed by the donor or the terms of the trust, which are legally binding on the Board.

Resources expended

All expenditure on administration, properties and professional fees are accounted for on an accruals basis with liabilities recognised when there is a legal or constructive obligation to do so.

Income recognition

Income is accounted for on an accruals basis with the exception of dividends, which are taken to the income account when received.

Voluntary income is intangible income which represents the actual cost of administering the Charity incurred by ODBF.

Charitable activities

Charitable expenditure consists mostly of grants made on the instructions of trustees but also includes the cost of administering the funds and grants.

Grants payable

All grants payable are charged in the year when trustees have agreed to make the grant.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Accounting policies (continued)

Fixed asset investments

Investments are included at closing mid-market price at the balance sheet date. Any gain or loss on revaluation is taken to the Statement of Financial Activities.

Debtors

The amounts recoverable from the sale proceeds of closed schools (see note 8) represent professional fees and other costs incurred in respect of those school land and buildings and are recoverable upon sale. The land and buildings that will be sold are not valued in the balance sheet.

It should be noted that there is no certainty about when these sums will be received, but it is deemed appropriate to include the full amounts as debtors in order to preserve the right to recovery should the opportunity arise. If and when any such items become clearly irrecoverable, they are written off as expenditure.

2. Donations

| | 2015 | 2014 |
|---|---------------|---------------|
| | £ | £ |
| Administrative services donated by ODBF | <u>98,078</u> | <u>91,282</u> |

3. Investment income

| | 2015 | 2014 |
|--------------------------------|----------------|----------------|
| | £ | £ |
| Dividends | 238,079 | 235,697 |
| Interest receivable | 14,591 | 7,951 |
| Prior year interest adjustment | - | (14,916) |
| Rents receivable | 89,939 | 47,959 |
| Dilapidations | - | 113,073 |
| Other income | 170 | 29 |
| | <u>342,779</u> | <u>389,793</u> |

Rental income is derived from closed school premises. Under our accounting policy the capital value of these premises is not included on the balance sheet until they are sold.

NOTES TO THE FINANCIAL STATEMENTS (continued)

4. Other income

| | 2015 | 2014 |
|--|----------------|----------|
| | £ | £ |
| Sale of Great Haseley closed school site | <u>505,354</u> | <u>-</u> |

5 Expenditure on Charitable activities

5a. Grants

| | 2015 | 2014 |
|---|----------------|----------------|
| | £ | £ |
| Grants to ODBE | 557,000 | 595,000 |
| Oxford Archdeaconry Clergy Widows', Widowers' and Orphans' Fund | - | 33,992 |
| Grants of £1,000 or less | <u>504</u> | <u>744</u> |
| Total grants payable | <u>557,504</u> | <u>629,736</u> |

5b Other

| | | |
|-------------------------------------|----------------|----------------|
| Administration provided by the ODBF | 84,285 | 79,654 |
| Property maintenance | 12,417 | 12,915 |
| Administration of funds and grants | 20,406 | 35,385 |
| Governance | <u>13,793</u> | <u>11,628</u> |
| Total other charitable expenditure | <u>130,901</u> | <u>139,582</u> |

Governance costs are borne by ODBF and form a part of the costs recognised in the financial statements. Governance costs represent staff costs in relation to governance (including Directors' Expenses), committee costs, audit fees and legal costs.

The audit fees were £6,840 (2014: £6,740). Directors receive no remuneration but received reimbursement of expenses of £458 during the year (2014: £427).

NOTES TO THE FINANCIAL STATEMENTS (continued)

6. Investments

| | 2015 | | | % of holding | 2014 | |
|--|-----------------------|----------------------|------------|--------------|------------|--------------|
| | Restricted Funds £ | Endowment Funds £ | Total £ | | Total £ | % of holding |
| Market value at 1 January | 5,511,218 | 109,844 | 5,621,062 | | 5,889,063 | |
| Additions | 200,000 | - | 200,000 | | 98,615 | |
| Sale proceeds | - | - | - | | (626,076) | |
| Net (losses)/gains in market value in year | 72,697 | 1,445 | 74,142 | | 259,459 | |
| Market value at 31 December | 5,783,915 | 111,289 | 5,895,204 | | 5,621,061 | |
| Analysis of investments at 31 December: | | | | | | |
| CBF – Investment Fund shares | 4,203,678 | 108,329 | 4,312,007 | 73.2 | 4,254,117 | 75.7 |
| CBF – Global Equity Fund Income shares | 285,294 | - | 285,294 | 4.8 | 288,395 | 5.1 |
| CBF –Property Fund shares | 205,522 | - | 205,522 | 3.5 | - | - |
| M&G Charifund units | 836,439 | 2,960 | 839,399 | 14.2 | 841,923 | 15.0 |
| Charities Property Fund | 252,982 | - | 252,982 | 4.3 | 236,626 | 4.2 |
| | 5,783,915 | 111,289 | 5,895,204 | 100.0 | 5,621,061 | 100.0 |
| Historical cost of investments | 3,162,354 | 25,688 | 3,188,042 | | 3,183,042 | |

All of the invested funds are held within the UK and are held to provide an investment return. The unrealised gains and losses are included in the Statement of Financial Activities.

NOTES TO THE FINANCIAL STATEMENTS (continued)

7. Debtors due after more than one year

| | 2015 | 2014 |
|---|----------------|----------------|
| | £ | £ |
| Loans receivable from ODBE | 100,000 | 500,000 |
| Recoverable from proceeds of closed schools | 25,854 | 46,662 |
| Loans receivable – Other | 38,900 | 65,394 |
| Interest receivable | 10,243 | 9,988 |
| | <u>174,997</u> | <u>622,044</u> |

The loan to ODBE is interest-free for cashflow purposes with no fixed repayment date.

8. Debtors due within one year

| | 2015 | 2014 |
|---|----------------|----------------|
| | £ | £ |
| Interest receivable | 23,144 | 15,251 |
| Recoverable from proceeds of closed schools | 137,941 | 137,942 |
| Other | 25,700 | 18,748 |
| | <u>186,785</u> | <u>171,941</u> |

9. Creditors due within one year

| | 2015 | 2014 |
|--------------------------|---------------|----------------|
| | £ | £ |
| Rent received in advance | 40,926 | 2,748 |
| Remedial works due | - | 258,000 |
| Other | 5,496 | 13,242 |
| | <u>46,422</u> | <u>273,990</u> |

10. Creditors due after more than one year

| | 2015 | 2014 |
|--------------------------|----------------|----------------|
| | £ | £ |
| Due to Local Authorities | 231,364 | 155,037 |
| Remedial works due | 189,892 | 189,892 |
| | <u>421,256</u> | <u>344,929</u> |

NOTES TO THE FINANCIAL STATEMENTS (continued)

In notes 9 and 10 above the creditors for remedial works due refers to the former Cowley St John school where the tenant is responsible for ensuring that work is complete, at which point funds held by CSUST received from Oxfordshire County Council will be released to them.

11. Managed funds

Church Schools Uniform Statutory Trust (CSUST)

This fund's capital arises from the sale proceeds of closed schools and school houses within the Diocese. In addition to these funds, the land and buildings of seven closed church school buildings are vested in CSUST. The future of these sites is uncertain. Even where these are to be eventually sold, the proceeds are usually apportioned between CSUST and the LA and/or other parties. It is therefore inappropriate to place any particular value on these sites for Balance Sheet purposes and they are not included in the financial statements.

The funds shown do not include sale proceeds of schools and school houses where these are held by solicitors pending an order and/or determination.

Both the capital and income may be used for defraying costs incurred in connection with sales of closed schools and for the purchase of a site, building, improving or maintaining Church of England schools and school houses in the Diocese. The income may also be used for advice, guidance and resources regarding the management and education provided, carrying out inspections in connection with such a school and the employment of staff in connection with the administration of the Trusts.

This fund is administered by DT(O)L in consultation with ODBE.

The Bartlett Memorial Fund

This fund was raised in 1929 as a memorial to the late Revd W.J.G. Bartlett, formerly Diocesan Missioner. Both the capital and income may be used for the provision of a Diocesan Retreat House. Income may also be used to help parishes in any special evangelistic effort or to assist individuals with the cost of going on retreat.

Bishop of Oxford's Discretionary Fund

This fund was raised by the Bishop of Oxford by a deed dated 4 December 1924. With the permission of the Charity Commissioners, the Charity became trustee of the fund in 1973. This trust has perpetual capital, which is invested in the Central Board of Finance Investment Fund. The income is to be applied by the Bishop of Oxford for the relief of poorer members of the clergy of the Diocese of Oxford in cases of emergency arising from illness or other misfortune.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Caversfield - F.Sharpe Bequest

This fund arose from a bequest of £200 in 1976 from the estate of the late F. Sharpe. This trust has perpetual capital, which is invested in the Central Board of Finance Investment Fund. The income is to be used for the upkeep and maintenance of the bells of Caversfield Parish Church.

Mary Dale Rowley Annuities Trust

This fund arose from a bequest from the estate of Mary Dale Rowley, which was transferred to the Charity by a Charity Commission Scheme in 1970. This trust has perpetual capital, which is invested in Charities Official Investment Fund Income shares. During 2013 capital was transferred to the Berkshire and Buckingham clergy widows' funds, and the remaining capital was transferred to the Oxon clergy widows' fund during 2014.

Streatley – Judd Bequest

This fund arose from a bequest of £3,500 in 2007 from the estate of G.W. Judd. This trust has perpetual capital, which is invested in M & G Charifund units. The income is to be applied by Streatley PCC towards maintenance of the fabric of the building of St Mary's Church Streatley.

Tackley C.E. School

This fund comprises rent received from Tackley pre-school and interest thereon. The income is to be used for the benefit of the school.

Woolhampton – James Blyth Charity Trust

This fund started with a donation of £1,000 in 1973 from Ethel Laurretta Blyth-Currie and Mabel Joyce Blyth-Currie. There was a further donation of £500 in 1976 and subsequently £2,400 of income was capitalised. This trust has perpetual capital, which is invested in the Central Board of Finance Investment Fund. The income is for the maintenance of the fabric of Woolhampton CE School. If the fabric of the said school ceases to be the responsibility of the trustees or governors thereof, the income shall be used for the advancement of religious education in the parish of Woolhampton.

Woolhampton - Misses Blyth-Currie Trust

This fund started with a donation of £2,000 in 1983 from Ethel Laurretta Blyth-Currie and Mabel Joyce Blyth-Currie. This trust has perpetual capital, which is invested in the Central Board of Finance Investment Fund. The income is paid to the Governors of Woolhampton Primary School. If the school closes, the money shall be used for the advancement of religious education in the parish of Woolhampton.

NOTES TO THE FINANCIAL STATEMENTS (continued)

12. Custodian funds

In addition to the Trusts detailed above, the Charity acts as Diocesan Authority or Custodian Trustee on behalf of trusts. These trusts each have their individual objects and are related to the Charity in that they are all connected with the Church of England. These trusts are administered separately from those for which the charity acts as Managing Trustee and are not included in these accounts.

13. Endowment funds

| | Balance at 1 January 2015 | Movement in Funds | | | Balance at 31 December 2015 |
|---|---------------------------------|-------------------|------------------|----------------------------------|--------------------------------------|
| | | Income | Expend- iture | Recognised gains/ (losses) | |
| | £ | £ | £ | £ | £ |
| Bartlett Memorial Fund | 44,290 | - | - | 603 | 44,893 |
| Bishop of Oxford's Discretionary Fund | 16,090 | - | - | 219 | 16,309 |
| Caversfield – F. Sharpe Bequest | 2,363 | - | - | 32 | 2,395 |
| Streatley – Judd Bequest | 2,969 | - | - | (9) | 2,960 |
| Woolhampton- James Blyth Charity Trust | 34,358 | - | - | 467 | 34,825 |
| Woolhampton–Misses Blyth–Currie Trust | 9,774 | - | - | 133 | 9,907 |
| | <u>109,844</u> | <u>-</u> | <u>-</u> | <u>1,445</u> | <u>111,289</u> |

Included in the balance at 31 December 2015 is £85,601 (2014: £84,156) of unrealised gains. A brief description of these trusts is shown in note 11.

NOTES TO THE FINANCIAL STATEMENTS (continued)

14. Restricted funds

Capital funds

| | Balance at 1 January 2015 | Income | Expend- iture | Recognised Gains | Balance at 31 December 2015 |
|-------|---------------------------------|----------------|------------------|---------------------|-----------------------------------|
| | £ | £ | £ | £ | £ |
| CSUST | <u>5,516,726</u> | <u>521,631</u> | <u>(80,000)</u> | <u>68,409</u> | <u>6,026,766</u> |

Included in the balance at 31 December 2015 is £2,529,911 (2014: £2,461,502) of unrealised gains. A brief description of this trust is shown in note 11.

Income funds

| | Balance at 1 January 2015 | Income | Expend -iture | Recognised Gains/ (losses) | Balance at 31 December 2015 |
|---|---------------------------------|----------------|------------------|----------------------------------|-----------------------------------|
| | £ | £ | £ | £ | £ |
| CSUST | 1,683,847 | 337,574 | (526,101) | 4,032 | 1,499,352 |
| Bartlett Memorial Fund | 47,015 | 2,496 | | 213 | 49,724 |
| Bishop of Oxford's Discretionary Fund | 10,210 | 680 | | | 10,890 |
| Caversfield – F. Sharpe Bequest | 4,204 | 115 | | | 4,319 |
| Tackley CE School | 1,279 | 7 | | | 1,286 |
| Woolhampton – James Blyth Charity Trust | 12,823 | 1,403 | | | 14,226 |
| Woolhampton – Misses Blyth–Currie Trust | 3,231 | 504 | (504) | 44 | 3,275 |
| | <u>1,762,609</u> | <u>342,779</u> | <u>(526,605)</u> | <u>4,289</u> | <u>1,583,072</u> |
| Total Restricted Funds | <u>7,279,335</u> | <u>864,410</u> | <u>(606,605)</u> | <u>72,698</u> | <u>7,609,838</u> |

Included in the balance for income funds at 31 December 2015 is £91,650 (2014: £87,361) of unrealised gains. A brief description of these trusts is shown in note 11.

NOTES TO THE FINANCIAL STATEMENTS (continued)

15. Analysis of net assets between funds

| | Investments | Cash | Debtors | Creditors | Total 2015 | Total 2014 |
|--|------------------|------------------|----------------|------------------|------------------|------------------|
| | £ | £ | £ | £ | £ | £ |
| Endowment funds: | | | | | | |
| Bartlett Memorial Fund | 44,893 | - | - | - | 44,893 | 44,290 |
| Bishop of Oxford's Discretionary Fund | 16,309 | - | - | - | 16,309 | 16,090 |
| Caversfield – F. Sharpe Bequest | 2,395 | - | - | - | 2,395 | 2,363 |
| Streatley – Judd Bequest | 2,960 | - | - | - | 2,960 | 2,969 |
| Woolhampton – James Blyth Trust | 34,825 | - | - | - | 34,825 | 34,358 |
| Woolhampton – Misses Blyth–Currie Trust | 9,907 | - | - | - | 9,907 | 9,774 |
| | <u>111,289</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>111,289</u> | <u>109,844</u> |
| Restricted funds: | | | | | | |
| Capital: | | | | | | |
| CSUST | <u>5,063,470</u> | <u>876,088</u> | <u>137,942</u> | <u>(50,734)</u> | <u>6,026,766</u> | <u>5,516,726</u> |
| Income: | | | | | | |
| CSUST | 701,320 | 991,136 | 223,840 | (416,944) | 1,499,352 | 1,683,847 |
| Bartlett Memorial Fund | 15,850 | 33,874 | - | - | 49,724 | 47,015 |
| Bishop of Oxford's Discretionary Fund | - | 10,890 | - | - | 10,890 | 10,210 |
| Caversfield – F. Sharpe Bequest | - | 4,319 | - | - | 4,319 | 4,204 |
| Tackley CE School | - | 1,286 | - | - | 1,286 | 1,279 |
| Woolhampton – James Blyth Trust | - | 14,226 | - | - | 14,226 | 12,823 |
| Woolhampton – Misses Blyth-Currie Trust | 3,275 | - | - | - | 3,275 | 3,231 |
| | <u>720,445</u> | <u>1,055,731</u> | <u>223,840</u> | <u>(416,944)</u> | <u>1,583,072</u> | <u>1,762,609</u> |
| Total | <u>5,895,204</u> | <u>1,931,819</u> | <u>361,782</u> | <u>(467,678)</u> | <u>7,721,127</u> | <u>7,389,179</u> |

16. Related party transactions

Administration is carried out by ODBF free of charge. The receipt of this service is classified by the SORP as intangible income valued at £98,078 (2014: £91,282). The cost is included in charitable activities (Note 5). Included in these administrative costs are staff costs of £55,539 (2014: £52,027). There are some investment management costs that are incurred by ODBF but they are not material and have not been shown separately in the SOFA.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Related Party transactions (continued)

At the year-end there was a balance of £7,808 due to the ODBF (2014: £7,808) for land registry costs. A balance of £nil (2014: £nil) was due at the year end to ODBE to support their work.

The relationship between the Charity, ODBF and ODBE is as set out within the Directors' Report.

The amounts receivable from ODBE are loans as set out in note 7. These loans are interest-free and provide funds to ODBE to finance its cash flow and support the work of the Schools Trust.

17. Staff

The Charity has no employees and therefore has no employment, national insurance or pension obligations.