

Culham St Gabriel's Trust

Registered Address

60-62 Banbury Road

Oxford

OX2 6PN

Registered Charity No: 309671

Report and Financial Statements

for the year ended

31st August 2018

Wenn Townsend

Chartered Accountants

Oxford

Culham St Gabriel's Trust
Trustees' Report on the Accounts
for the year ended 31st August 2018

The Trustees present their report and the audited financial statements of the charity for the year ended 31st August 2018. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

1. Our goals, objectives and workstreams

The objects of the Trust as set out in the Charity Commission Scheme of 21st June 2012 are (in accordance with the doctrines and principles of the Church of England):

- (1) the promotion of the higher and further education, life-long learning and training of beneficiaries (including, for example, the provision of instruction and training for such persons by means of classes, lectures, books, libraries, electronic media and reading rooms);
- (2) the promotion of research in, and development of, religious education;
- (3) making grants to beneficiaries who are in need of financial assistance to enable them to attend an establishment of higher or further education or otherwise pursue their education;
- (4) providing financial assistance to institutions of higher or further education;
- (5) promoting religious education for the public benefit in any way the Trustees see fit.

In the Scheme, 'beneficiaries' means persons who are, or intend to become, teachers or otherwise engaged in work connected with religious education.

We continue to see ourselves as agents of change and improvement in Religious Education at a time of crucial challenge and opportunity. In this we are guided by our Strategic Plan for 2016-20, which sets the following two goals:

1. Support an inclusive reform process to RE's legal and policy basis, public understanding, and infrastructure, securing a firm basis for high standards;
2. Enable individual teachers to access high-quality training, professional development and research opportunities, securing improvements in the depth of pupils' and teachers' understanding of religion and belief.

The goals are pursued through two strategic objectives, each with its associated workstreams, as follows:

1. To enable key partners to strengthen RE's policy platform, funding base, and infrastructure in support of high quality teaching and learning – through workstreams on policy, funders, and infrastructure development;
2. To enhance and promote a comprehensive and coherent professional development and research offer to all RE teachers, with a clear impact on raising standards – through workstreams on RE:Online, the Research Strategy, the Teach:RE Course, Conferences and networks, and Grants.

2. Public benefit statement

The Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers and duties.

3. Achievements and performance

The Trust remains a key member of the RE world, offering intellectual and strategic engagement with its beneficiaries, as well as being a funder maintaining objectivity and openness to new ideas. We balance our role as a direct provider of professional development with our equally important role as an enabler of change and improvement led by partner organisations.

Culham St Gabriel's Trust
Trustees' Report on the Accounts (continued)
for the year ended 31st August 2018

3. Achievements and performance (continued)

We were pleased to see the Commission on RE, which we continue to support, reaching a successful conclusion to its work. Some individual Trustees and staff participated in the consultation and gave evidence. The Commission's task, to review the educational, legal and policy basis of RE and make proposals to the Department for Education, is very timely. Its success will be vital to the continuity of the subject. At the time of writing, we are interested in the Commission's final proposals, and will study them closely. We were also encouraged by the joint work of the RE Policy Unit run jointly by the RE Council, RE Today and the teachers' association, NATRE. This has succeeded in generating positive news stories and considerable political contact through party conferences and events in parliament. The Trust has also supported work to develop RE's infrastructure and continues to work closely with other funders in RE, hosting seminars and meetings to scan the horizon and promote a strategic approach to funding.

RE:Online remains a widely used source of CPD and advice, unique in its combination of being free, quality assured, and comprehensive in its coverage of religions and beliefs. RE:Online had an average of 11,200 visits per calendar month; its 'Email a Believer' service has proved increasingly popular. New features include the App, 'RE-Definitions', which shows teachers and pupils how to pronounce key words and use them in context.

Our research strategy for RE, which we initiated in 2016, has now grown into a substantial website offering theory-practice exchanges for 580 professionals in RE. Our call for grant bids on seven new research topics has resulted in four substantial grants, on curriculum design (Inspiration Academies Trust), religious literacy (Brunel University with Hampshire local authority), teachers and sacred texts (Canterbury Christ Church University), and RE's impact on social and economic inequality (Liverpool Hope University). Two other topics, technology for learning and teachers as researchers, are in preparation. On the remaining topic, scientific and religious literacy, we are collaborating closely with the Big Questions in Classrooms project funded by the Templeton World Charitable Foundation.

The Teach:RE Course had 64 students, of whom 54 completed, 40 with Merit or Distinction. Recruitment into initial training for RE has continued to decline, becoming a source of anxiety, in the context of a continuing decline in teacher recruitment nationally.

We continue to support conferences and networks that bring high-quality professional development opportunities to as many RE teachers as possible. We supported the NATRE annual conference, 'Strictly RE', in January 2017; this annual event has grown in size and influence with our help. We gave a major grant to NATRE to operate local networks linked by regional and national champions, and supported by professional expertise in communications and statistics. We ensured that the networking support was well understood by other RE organisations and providers of high-quality professional development.

Among the other significant grants we have offered this year have been the 'Panpsycast', a teacher who produces podcasts for A level students; 'My Future My Career My RE', a series of seven films on RE's relevance to a range of careers; 'Big Ideas in RE', led by former HMI Barbara Wintersgill; and the Ark Academies Trust, generating materials and training a for knowledge-rich approach to RE in key stage 4. Our grant-giving has reflected our principal priority of RE, while maintaining some support for a subsidiary priority, spiritual and moral development. Since January 2017, we estimate that our help has reached over 2,740 teachers of RE directly or indirectly. A key recurrent feature of the change we make is teacher understanding and confidence, underpinned by continuing conversations between CSTG and the grantee. In addition to grants for individuals, the 3forRE Scheme, supporting serving teachers taking RE-relevant masters programmes, had 31 participants.

With other funders, we have supported a Cumberland Lodge colloquium called 'A generation without hate', and we have further explored some proposals about sharing resources in themed common funds. We have joined 360 Giving in order to improve the profile of RE funding.

The Trust has continued to work closely and positively with its three principal partner organisations, the RE Council, the Church of England Education Office (National Society) and RE Today (with the National Association for Teachers of RE). We have learned more about the power of collaboration, and what works best in reaching the widest possible number of RE teachers.

Culham St Gabriel's Trust
Trustees' Report on the Accounts (continued)
for the year ended 31st August 2018

4. Financial review (including reserves policy)

The excess of expenditure over income in 2017-18 (excluding investment returns) was £310,417 (2016-17: £58,700). During 2017-18 there were gains on investments on general funds of £72,902 (2016-17: £76,236) and on endowment funds of £1,353,779 (2016-17: £1,430,462). As a result, at 31st August 2018 the endowment fund stood at £18,443,978 (2017: £17,090,199), with £Nil (2017: £36,490) in restricted funds, and £891,359 (2017: £1,092,384) in unrestricted funds, making a total of £19,335,337 (2017: £18,219,073). The Trust continues to keep its policies on reserves, investments, risk management, and grant-giving under review.

The financial policies of the Trust remain as follows:

Policy on Reserves:

The uncommitted General Fund shall be maintained at a figure approximating to twelve months' investment income (between £600K and £630K). At this level of reserves it should be possible to absorb future Stock Exchange fluctuations, other unforeseen contingencies and any higher than average grant applications or programme costs in any one year.

Trustees' policy on reaching the desired level of reserves is to plan for budget deficits of between £140K and £170K, with smaller deficits in succeeding years. Trustees will monitor progress towards this through budget control, financial reporting and support for fundraising, as appropriate. Trustees are particularly aware of the USS pension scheme, and the possibility of a significant penalty in respect of any future departure from the scheme.

Policy on Investments:

CSTG's investment objectives are:

- (a) to protect, so far as is reasonable, with the avoidance of undue risk, the real value of the capital and stability of income of the portfolio after allowing for inflation;
- (b) to maintain a proactive ethical stance through investment strategy.

The two objectives are of equal importance.

Policy on Risk Management: The major risks to which the Trust is exposed, in particular those related to the operations and finances of the Trust, have been reviewed. Systems and procedures have been established to minimise and manage those risks. These are kept under regular review by the Director and Trustees.

5. Plans for the future

The Trust will continue in 2018-20 with its current commitments, resources permitting. The collaboration on regional and national conferences should ensure that more teachers are reached with inspiring and supportive events, based on good value for money. The research strategy should result in specific pilot project proposals followed by longer-term projects, relevant to the RE classroom. The trust is also exploring four further initiatives:

- A new leadership pathway for emerging RE leaders
- Further information for funders working in RE
- An impact evaluation collaborating with several other RE funders

6. Structure, governance and management

The Trust is governed by its Trust Deed, dated 21st June 2012, with an amendment dated 24th September 2012. The Trust is managed by the Board of Trustees. All decisions affecting the strategy and management of the Trust are taken by the Board of Trustees. There is one management structure with the Director of the Charity additionally being Clerk to the Trustees. The ex officio Trustee is the General Secretary of the National Society for Promoting Religious Education. The Oxford Diocesan Board of Education, the Southwark Diocesan Board of Education and the Bishop of Oxford each has the right to nominate one Trustee. A further maximum of twelve Trustees may be co-opted.

Culham St Gabriel's Trust

**Trustees' Report on the Accounts (continued)
for the year ended 31st August 2018**

6. Structure, governance and management (continued)

Governance of the Trust is the responsibility of the Board of Trustees, consisting of:

Co-opted:

Rev Canon Peter Ballard 2017-2020 (Associate Chair 2018-2020)
Dr Priscilla Chadwick 2014-2018 (Chair 2016-2018; retired 31 August 2018)
Mr James Cowen 2015-2019
Ms Nansi Ellis 2015-2019
Mrs Ann Holt 2016-2020
Mr John Keast OBE 2018-2022 (Associate Chair 2016-2018; Chair 2018-2020)
Ms Susan Newell 2016-2020
Mr Ed Pawson 2018-2022
Mrs Deborah Weston 2016-2020
Dr Linda Whitworth 2018-2022 (Associate Chair 2016-2020)
Dr Andrew Wright 2015-2019

Nominated:

Mrs Anne Davey 2015-2017 (resigned 13 November 2017)
Mrs Barbara Lane 2014-2018 (retired 31 July 2018)
Mrs Rebecca Morris (2016-2020)
Mrs Christine Price-Smith (2017-2019) (from 14 November 2017)
Mr Marcus Cooper (2018-2022) (from 1 August 2018)

Ex Officio:

Rev Nigel Genders

The Trust operates with two committees, with defined roles in relation to finance and grant-giving, each reporting to the full Board of Trustees.

Induction and training of new Trustees are managed by the Director, who sends each new Trustee a copy of the Trust Deed, minutes and papers of the last three meetings and a package of material relating to recent work undertaken by the Trust. The full range of policies and protocols, including Standing Orders, risk management, the register of interests and protocol for managing conflicts of interest, is given to new Trustees with an explanation as part of their induction, together with Charity Commission briefings. He then has a personal meeting with the new Trustee to go through the procedures and work of the Trust. In recent years all new Trustees have also been operating as Trustees of other well managed Trusts and therefore have been well versed in the responsibilities of Trusteeship. Any new requirements are automatically brought before the next meeting of the Trustees, explained and implemented as necessary. All Trustees have been briefed on the Strategic Plan and have signed the Trustee declaration and completed the register of interests.

Culham St Gabriel's Trust

Trustees' Report on the Accounts (continued) for the year ended 31st August 2018

Key Management Personnel Remuneration

All full-time staff are remunerated according to the Oxford University academic pay scale. The Trustees consider the Board of Trustees and the Director as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis. All Trustees give of their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses and related party transactions are disclosed in notes 10 and 22 to the accounts. Trustees are required to disclose all relevant interests and in accordance with the Trust's policy withdraw from decisions where a conflict of interest arises. The pay of the Director is reviewed annually. The remuneration is reviewed to ensure that it is fair and not out of line with similar roles.

Director: Dr Mark Chater

Auditor: Wenn Townsend
Chartered Accountants
30 St Giles'
Oxford
OX1 3LE

Bankers: National Westminster Bank plc
11 Market Place
Abingdon
Oxon
OX14 3HH

Investment Managers: CCLA Investment Management Limited
Senator House, 85 Queen Victoria Street
London
EC4V 4ET

Solicitors: Winckworth Sherwood
16 Beaumont Street
Oxford
OX1 2LZ

Registered Charity No: 309671

Culham St Gabriel's Trust

**Trustees' Report on the Accounts (continued)
for the year ended 31st August 2018**

Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the 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;
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping proper 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 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. The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees, in exercising their powers and duties, have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

ON BEHALF OF THE TRUSTEES

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John Keast OBE

7th December 2018

Culham St Gabriel's Trust

Independent Auditor's Report to the Trustees of Culham St Gabriel's Trust

Opinion

We have audited the financial statements of Culham St Gabriel's Trust (the 'charity') for the year ended 31st August 2018 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 August 2018, 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
- comply with regulation 8 of the Charities (Accounts and Reports) Regulations 2008.

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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the 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. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Culham St Gabriel's Trust

Independent Auditor's Report to the Trustees of Culham St Gabriel's Trust (continued)

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 6, the trustees are responsible for the preparation of the financial statements which 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.

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 regulations made under 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.

Wenn Townsend Chartered Accountants, Statutory Auditor
30 St Giles
Oxford

7th December 2018

Wenn Townsend is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Culham St Gabriel's Trust

**Statement of Financial Activities
for the year ended 31st August 2018**

	Note	Endowment Fund £	Restricted Funds £	Unrestricted Funds £	Total 2018 £	Total 2017 £
Income from:						
Charitable activities	2	-	41,500	17,445	58,945	169,845
Investments	3	-	-	674,468	674,468	638,970
Other	4	-	-	3,993	3,993	1,941
Total income		-	41,500	695,906	737,406	810,756
Expenditure on:						
Charitable activities:						
Grants payable	5	-	-	318,471	318,471	146,688
Programme costs	6	-	77,990	419,643	497,633	456,845
Core support costs	7	-	-	231,719	231,719	265,923
Total expenditure		-	77,990	969,833	1,047,823	869,456
Net income/(expenditure) before gains on investments		-	(36,490)	(273,927)	(310,417)	(58,700)
Net gains on investments	14	1,353,779	-	72,902	1,426,681	1,506,698
Net income/(expenditure)		1,353,779	(36,490)	(201,025)	1,116,264	1,447,998
Other recognised gains/(losses)						
Loss on disposal of heritage assets	12	-	-	-	-	(5,866)
Net movement in funds		1,353,779	(36,490)	(201,025)	1,116,264	1,442,132
Fund balances brought forward at 1st September 2017		17,090,199	36,490	1,092,384	18,219,073	16,776,941
Fund balances carried forward at 31st August 2018		18,443,978	-	891,359	19,335,337	18,219,073

All income and expenditure derive from continuing activities.

Culham St Gabriel's Trust

**Balance Sheet
at 31st August 2018**

	Note	2018		2017	
		£	£	£	£
Fixed assets					
Tangible fixed assets	13		3,931		4,790
Investments	14		19,391,039		17,964,358
			<u>19,394,970</u>		<u>17,969,148</u>
Current assets					
Debtors	15	124,198		105,645	
Short term deposits	16	196,621		264,557	
Cash at bank and in hand			17 50,997		112,998
		<u>371,816</u>		<u>483,200</u>	
Liabilities: amounts falling due within one year	18		<u>(278,816)</u>		<u>(146,613)</u>
Net current assets			<u>93,000</u>		<u>336,587</u>
Total assets less current liabilities			<u>19,487,970</u>		<u>18,305,735</u>
Liabilities: amounts falling due after more than one year	19		<u>(124,100)</u>		<u>(49,450)</u>
Net assets excluding pension liability			<u>19,363,870</u>		<u>18,256,285</u>
Defined benefit pension liability	24		<u>(28,533)</u>		<u>(37,212)</u>
Net assets			<u><u>19,335,337</u></u>		<u><u>18,219,073</u></u>
Capital funds					
Endowment	21		18,443,978		17,090,199
Income funds					
Restricted funds	21		-		36,490
Unrestricted funds - general	21		891,359		1,092,384
Total charity funds			<u><u>19,335,337</u></u>		<u><u>18,219,073</u></u>

Approved by the Board of Trustees on 7th December 2018 and signed on its behalf by

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John Keast OBE (Chair)

The notes on pages 12 to 25 form part of the financial statements

Culham St Gabriel's Trust

**Statement of Cash Flows
for the year ended 31st August 2018**

	Note	2018 £	2017 £
Net cash flow from operating activities	25	(803,042)	(707,520)
Cash flow from investing activities			
Payments to acquire tangible fixed assets		(1,400)	(3,904)
Receipts from sales of heritage assets		-	3,434
Interest received		37	21
Dividends received		674,468	638,949
Net cash flow from investing activities		673,105	638,500
Net (decrease)/increase in cash and cash equivalents		(129,937)	(69,020)
Cash and cash equivalents at 1st September 2017		377,555	446,575
Cash and cash equivalents at 31st August 2018		247,618	377,555
Cash and cash equivalents consist of:			
Cash at bank and in hand	17	50,997	112,998
Short term deposits	16	196,621	264,557
Cash and cash equivalents at 31st August 2018		247,618	377,555

Culham St Gabriel's Trust

Notes to the accounts for the year ended 31st August 2018

1. Summary of significant accounting policies

a) General information and basis of preparation

Culham St Gabriel's Trust is a charitable Trust in the United Kingdom. The address of the registered office is given in the charity information in these financial statements. The nature of the charity's operations and principal activities are noted in the Trustees' report.

The charity constitutes a public benefit entity as defined by FRS 102. 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 (FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

b) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes.

Endowment funds represent those assets which must be held permanently by the Trust, principally investments. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the endowment fund investments form part of that fund.

c) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

Culham St Gabriel's Trust

**Notes to the accounts (continued)
for the year ended 31st August 2018**

1. Summary of significant accounting policies (continued)

c) Income recognition (continued)

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity where it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Investment income is earned through holding assets for investment purposes such as units in investment funds. It includes dividends and interest. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend income is recognised as the charity's right to receive payment is established.

d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

e) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management.

The analysis of these costs is included in note 8.

f) Tangible fixed assets

Tangible fixed assets (costing more than £1,000) are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Office equipment	25% straight line
Office furniture and fittings	25% straight line

Culham St Gabriel's Trust

Notes to the accounts (continued) for the year ended 31st August 2018

1. Summary of significant accounting policies (continued)

g) Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains/(losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

Investments in subsidiaries are measured at cost less impairment.

Current asset investments are short term highly liquid investments and are held at fair value. These include cash on deposit and cash equivalents with a maturity of less than one year.

h) Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from the impairment are recognised in expenditure.

i) Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

j) Leases

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

k) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The institution participates in Universities Superannuation Scheme. The scheme is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", the institution therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme. Since the institution has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the institution recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and therefore an expense is recognised.

l) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

m) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Culham St Gabriel's Trust
Notes to the accounts (continued)
for the year ended 31st August 2018

1. Summary of significant accounting policies (continued)

n) Critical accounting judgements

FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as Universities Superannuation Scheme. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense in profit or loss in accordance with section 28 of FRS 102. The directors are satisfied that Universities Superannuation Scheme meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the funding plan in existence at the date of approving the financial statements.

2. Income from charitable activities

	2018	2017
	£	£
Funding received:		
Association of Church College Trusts - Membership	3,615	2,985
3forRE	4,500	58,700
Jerusalem Trust – Leadership Programme	-	20,000
Jerusalem Trust - Primary RE	-	30,000
Jerusalem Trust – Research for RE	15,000	20,000
Gordon Cook Foundation – Networking RE	12,000	12,000
Westhill Endowment - Research for RE	10,000	10,000
Horizons Seminar – Participant Contributions	3,840	2,430
TEACH:RE Course (TREC) - Fees	9,990	13,730
	58,945	169,845
	58,945	169,845

3. Income from investments

	2018	2017
	£	£
Investment funds	674,429	638,949
Bank interest	39	21
	674,468	638,970
	674,468	638,970

Culham St Gabriel's Trust

**Notes to the accounts (continued)
for the year ended 31st August 2018**

4. Other income	2018	2017
	£	£
Sale of silverware	-	1,700
Sundry income	3,993	241
	<u>3,993</u>	<u>1,941</u>
	<u><u>3,993</u></u>	<u><u>1,941</u></u>
5a) Grants payable		Number of grants
	£	
Institutions (see note 5b)	271,410	12
Individuals	47,061	15
	<u>318,471</u>	<u>27</u>
	<u><u>318,471</u></u>	<u><u>27</u></u>
5b) Grants payable to institutions		2018 £
ARK Multi Academy Trust		23,000
Brunel University		12,000
Canterbury Christ Church		38,246
CTVC		24,000
Cumberland Lodge		13,387
Diocese of Lincoln		10,000
Inspiration Trust		6,000
Liverpool Hope University		19,527
RE Today and NATRE		161,000
REQM		12,000
The Panpsycast		3,250
Three Faiths Forum		7,000
Refunds/withdrawals/amendments to previous period grants		(58,000)
		<u>271,410</u>
		<u><u>271,410</u></u>
6. Programme costs	2018	2017
	£	£
RE: ONLINE	128,306	94,088
TEACH:RE	28,236	39,030
3forRE	78,992	89,764
Conferences	19,628	32,081
RE Infrastructure	40,130	8,710
RE Policy	160,000	157,004
Regional Strategy	28,086	26,391
Funders	14,255	9,777
	<u>497,633</u>	<u>456,845</u>
	<u><u>497,633</u></u>	<u><u>456,845</u></u>

Culham St Gabriel's Trust

**Notes to the accounts (continued)
for the year ended 31st August 2018**

7. Core support costs

	2018	2017
	£	£
Salaries, wages and fees (note 9)	149,418	185,975
Staff development	4,331	7,635
Library expenses	2,810	1,879
Telephone, printing, postage, stationery and advertising	2,535	3,023
Equipment, repairs and renewals	18,849	13,903
Travel expenses and subsistence	15,331	11,266
Professional charges and consultancy	700	543
Rent	12,375	11,876
Service charges	4,125	4,125
Depreciation	2,259	2,637
Auditor's remuneration - other fees	1,863	2,825
Sundry expenses	1,314	5,594
Interest on pension provision unwinding	956	1,404
Governance costs (see note 8)	14,853	13,238
	231,719	265,923
	231,719	265,923

8. Governance costs

	2018	2017
	£	£
Insurance	1,670	1,516
Trustees' expenses	3,659	3,236
Auditor's remuneration - Audit fee	8,520	8,160
Legal and professional fees	1,004	326
	14,853	13,238
	14,853	13,238

9. Staff costs and employee benefits

The total staff costs and employee benefits was as follows:

	2018	2017
	£	£
Gross wages	119,680	151,143
Employers NIC	10,033	12,156
Pension contributions	29,340	24,464
Movement in pension provision	(9,635)	(1,788)
	149,418	185,975
	149,418	185,975

The average monthly number of employees, and the average number of full-time equivalent employees during the year was 3 and 3 (2017: 4 and 3.5).

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:

	2018	2017
£60,001 - £70,000	1	1
	1	1

During the year contributions to defined benefit pension schemes in respect of one (2017: one) higher paid employee totalled £12,707 (2017: £12,503).

Culham St Gabriel's Trust
Notes to the accounts (continued)
for the year ended 31st August 2018

10. Trustees' and key management personnel remuneration and expenses

The trustees neither received nor waived any remuneration during the year (2017: £Nil) for performing their duties as trustees.

One trustee was paid a market rate for tutoring students on the TEACH:RE course. During the year payments totalled £100 (2017: £400).

The total amount of employee benefits received by key management personnel is £82,781 (2017: £80,047). The Trust considers its key management personnel comprise the Trustees and the Director.

14 (2017: eleven) Trustees received reimbursed travel and meeting expenses of £3,659 (2017: £3,236).

11. Auditor's remuneration

Auditor's remuneration charged during the year amounted to £7,100 plus VAT for audit and £1,570 plus VAT for other services (2017: £6,800 plus VAT for audit and £2,354 plus VAT for other services).

12. Fixed assets

Tangible	Office equipment £	Furniture & fittings £	Total £
Cost			
At 1st September 2017	33,558	6,794	40,352
Additions	1,400	-	1,400
At 31st August 2018	34,958	6,794	41,752
Depreciation			
At 1st September 2017	28,768	6,794	35,562
Charge for the year	2,259	-	2,259
At 31st August 2018	31,027	6,794	37,821
Net book value			
At 31st August 2018	3,931	-	3,931
At 31st August 2017	4,790	-	4,790

Culham St Gabriel's Trust

**Notes to the accounts (continued)
for the year ended 31st August 2018**

13. Fixed asset investments

	2018	2017
	£	£
a. Movement in year		
Permanent endowment		
Market value 1st September 2017	17,088,499	15,624,218
Transfer from general fund	-	33,819
Unrealised gains in market value	1,353,779	1,430,462
	<u>18,442,278</u>	<u>17,088,499</u>
Unrestricted general fund		
Market value 1st September 2017	875,859	833,442
Transfer to permanent endowment fund	-	(33,819)
Unrealised gains in market value	72,902	76,236
	<u>948,761</u>	<u>875,859</u>
Market value 31st August 2018	<u>948,761</u>	<u>875,859</u>
Total market value 31st August 2018	<u>19,391,039</u>	<u>17,964,358</u>
b. At 31st August 2018		
	Cost	Market value
	£	£
Permanent endowment		
CBF Church of England:		
Investment Fund	7,459,654	14,792,329
Property Fund	1,885,612	2,095,162
Global Equity Fund	1,017,735	1,554,787
	<u>10,363,001</u>	<u>18,442,278</u>
At 31st August 2018	<u>10,363,001</u>	<u>18,442,278</u>
At 31st August 2017	<u>10,363,001</u>	<u>17,088,499</u>
Unrestricted general fund		
CBF Church of England:		
Investment Fund	293,809	768,490
Property Fund	46,941	55,335
Global Equity Fund	51,072	124,936
	<u>391,822</u>	<u>948,761</u>
At 31st August 2018	<u>391,822</u>	<u>948,761</u>
At 31st August 2017	<u>391,822</u>	<u>875,859</u>

The fair value of listed investments is determined by reference to the quoted price for identical assets in an active market at the balance sheet date.

Culham St Gabriel's Trust

**Notes to the accounts (continued)
for the year ended 31st August 2018**

14. Debtors	2018	2017
	£	£
Accrued investment income	114,000	93,000
Prepayments and other accrued income	10,198	12,645
	<u>124,198</u>	<u>105,645</u>
15. Short term deposits	2018	2017
	£	£
CBF ordinary deposit	196,621	264,557
	<u>196,621</u>	<u>264,557</u>
16. Cash and bank	2018	2017
	£	£
Current Account	50,997	112,998
	<u>50,997</u>	<u>112,998</u>
17. Liabilities: amounts falling due within one year	2018	2017
	£	£
Trade creditors	45	1,603
Accruals and deferred income	13,857	12,914
Owed by former subsidiary company	-	6
Grant and programme commitments (see note 20)	264,914	132,090
	<u>278,816</u>	<u>146,613</u>
18. Liabilities: amounts falling due after more than one year	2018	2017
	£	£
Grant and programme commitments (see note 19)	124,100	49,450
	<u>124,100</u>	<u>49,450</u>

Culham St Gabriel's Trust

**Notes to the accounts (continued)
for the year ended 31st August 2018**

19. Grant and programme commitments

Payable in year	Commitment at 1st September 2017 £	Commitments entered into/increased during the period (net of withdrawals) £	Grants (paid)/ deferred in the period £	Commitment at 31st August 2018 £
2016/17	1,500	-	(1,500)	-
2017/18	130,590	60,789	(191,379)	-
2018/19	49,450	220,524	(5,060)	264,914
2019/20	-	105,150	7,950	113,100
2020/21	-	6,500	-	6,500
2021/22	-	4,500	-	4,500
	<u>181,540</u>	<u>397,463</u>	<u>(189,989)</u>	<u>389,014</u>

20. Funds

	Endowment fund £	Restricted fund £	General fund £
Balance at 1st September 2017	17,090,199	36,490	1,092,384
Income	-	41,500	695,906
Expenditure	-	(77,990)	(969,833)
Other gains and losses	1,353,779	-	72,902
Balance at 31st August 2018	<u>18,443,978</u>	<u>-</u>	<u>891,359</u>

The restricted fund relates to monies given by external Trusts for purposes as described in the Statement of Financial Activities.

21. Analysis of net assets between funds

	Endowment funds £	Restricted funds £	Unrestricted funds £	Total funds £
Tangible fixed assets	-	-	3,931	3,931
Investments	18,442,278	-	948,761	19,391,039
Debtors	-	-	124,198	124,198
Short term deposits	-	-	196,621	196,621
Cash at bank and in hand	1,700	-	49,297	50,997
Liabilities: due within one year	-	-	(278,818)	(278,818)
Liabilities: due after one year	-	-	(124,098)	(124,098)
Defined benefit pension liability	-	-	(28,533)	(28,533)
	<u>18,443,978</u>	<u>-</u>	<u>891,359</u>	<u>19,335,337</u>

Culham St Gabriel's Trust

Notes to the accounts (continued) for the year ended 31st August 2018

22. Related party transactions

During the year the Trust undertook the following transactions:

- £21,500 (2017: £Nil) of programme money was given to RE Today Services, of which Deborah Weston is an occasional consultant. Additionally, the two charities worked together on the joint 2017 conference at a cost of £18,330 to Culham St Gabriel's (2017: £30,094). Deborah Weston was not involved in the programme decision.
- £122,500 (2017: £115,000) of programme money and £12,000 (2017: £nil) of grants were given to the Religious Education Council, a charity of which Deborah Weston, Ed Pawson and Mark Chater were on the board during the year. None of the above were involved in the programme or grant decisions.
- A grant of £nil (2017: £8,000) was awarded to SCALA, of which Dr Priscilla Chadwick is a co-opted Trustee. Dr Priscilla Chadwick was not involved in the programme decision.
- In 2017 £56,000 was granted to the Church of England Foundation for Educational Leadership, but the grant was no longer required so it has been removed from grant commitments in the current year.

Five Trustees have been involved with this project

- Nigel Genders – Chief Officer of National Society
 - Peter Ballard – Treasurer of National Society
 - Priscilla Chadwick – Council member of National Society
 - Ann Holt – Involved in the piloting of the project
- One trustee was paid a market rate for tutoring students on the TEACH:RE course. During the year payments totalled £100 (2017: £400).
 - £10,850 (2017: £Nil) of programme money and £161,000 (2017: £nil) of grants were given to the National Association of Teachers of Religious Education, of which Deborah Weston and Ed Pawson were on the board during the year. None of the above were involved in the programme or grant decisions.
 - £1,956 (2017: £Nil) of programme money was given to AULRE, of which Linda Whitworth is a Committee member. Linda Whitworth was not involved in the programme decision.
 - £13,387 (2017: £Nil) of grant money was given to Cumberland Lodge. Susan Newell's husband, Ed Newell, is the Principal of Cumberland Lodge.

23. Pension scheme - Universities Superannuation Scheme (USS)

The pension charge for the year includes £10,062 (2017: £22,676) in relation to the USS. This represents contributions of £19,697 (2017: £25,868) payable to the USS, adjusted by the change in the deficit funding liability between the opening and closing balance sheet dates of £(8,679) (2017: £(1,788)) and by £956 (2017: £1,404) interest on provision unwinding.

The latest available full actuarial valuation of the scheme was at 31st March 2014 (the valuation date), which was carried out using the projected unit method. The valuation as at 31st March 2018 is underway but not yet completed. Since the institution cannot identify its share of scheme assets and liabilities, the following disclosures reflect those relevant for the scheme as a whole.

The 2014 valuation was the third valuation for USS under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £41.6 billion and the value of the scheme's technical provisions was £46.9 billion indicating a shortfall of £5.3 billion. These figures will be revised once the 2017 Scheme Valuation is complete.

Culham St Gabriel's Trust

**Notes to the accounts (continued)
for the year ended 31st August 2018**

23. Pension scheme - Universities Superannuation Scheme (USS) (continued)

Defined benefit liability numbers for the scheme have been produced using the following assumptions as at 31st March 2017 and 2018:

	2018	2017
Discount rate	2.64%	2.57%
Pensionable salary growth	n/a	n/a
Pensions increases (CPI)	2.02%	2.41%

The main demographic assumption used relates to the mortality assumptions. These assumptions have been updated for the 31 March 2018 accounting position, based on updated analysis of the Scheme's experience carried out as part of the 2017 actuarial valuation. The mortality assumptions used in these figures are as follows:

	2018	2017
Mortality base table	<u>Pre-retirement:</u> 71% of AMC00 (duration 0) for males and 112% of AFC00 (duration 0) for females. <u>Post retirement:</u> 96.5% of SAPS S1NMA "light" for males and 101.3% of RFV00 for females.	98% of SAPS S1NA "light" YOB unadjusted for males. 99% of SAPS S1NA "light" YOB with a -1 year adjustment for females.
Future improvements to mortality	CMI_2016 with a smoothing parameter of 8.5 and a long term improvement rate of 1.8% pa for males and 1.6% pa for females.	CMI_2014 with a long term rate of 1.5% p.a.

The current life expectancies on retirement at age 65 are:

	2018	2017
Males currently aged 65 (years)	24.5	24.4
Females currently aged 65 (years)	26.0	26.6
Males currently aged 45 (years)	26.5	26.5
Females currently aged 45 (years)	27.8	29.0

	2018	2017
Scheme assets	£63.6bn	£60.0bn
Total scheme liabilities	£72.0bn	£77.5bn
FRS 102 total scheme deficit	£8.4bn	£17.5bn
FRs 102 total funding level	88%	77%

A provision of £28,533 has been made at 31st August 2018 (2017: £37,212) for the present value of the estimated future deficit funding element of the contributions payable under this agreement. In determining the level of this provision it has been assumed that the Charity will continue to have a constant level of employee participation in this scheme and that the relevant earnings of these employees will increase in line with the actuary's projected long-term salary rate increases.

A copy of the full actuarial valuation report and other further details on the scheme are available on the USS website www.uss.co.uk

Culham St Gabriel's Trust

**Notes to the accounts (continued)
for the year ended 31st August 2018**

24. Reconciliation of net income to net cash flow from operating activities

	2018	2017
	£	£
Net income for year	1,116,264	1,442,132
Dividends received	(674,468)	(638,949)
Interest receivable	(39)	(21)
Depreciation and impairment of tangible fixed assets	2,259	2,637
Gains on investments	(1,426,681)	(1,506,698)
Loss on disposal of heritage assets	-	5,866
(Increase)/decrease in debtors	(18,552)	(7,148)
(Decrease)/increase in creditors	206,854	(3,551)
(Decrease)/increase in pension provision	(8,679)	(1,788)
	<hr/>	<hr/>
Net cash flow from operating activities	<u>(803,042)</u>	<u>(707,520)</u>

Culham St Gabriel's Trust

**Notes to the accounts (continued)
for the year ended 31st August 2018**

25. Statement of financial activities for the year ended 31st August 2017

	Endowment Fund £	Restricted Funds £	Unrestricted Funds £	Total 2017 £
Income from:				
Donations and legacies	-	-	-	-
Charitable activities	-	150,700	19,145	169,845
Investments	-	-	638,970	638,970
Other	1,700	-	241	1,941
Total income	1,700	150,700	658,356	810,756
Expenditure on:				
Charitable activities:				
Grants payable	-	-	146,688	146,688
Programme costs	-	153,673	303,172	456,845
Core support costs	-	-	265,923	265,923
Total expenditure	-	153,673	715,783	869,456
Net income/(expenditure) before gains on investments	1,700	(2,973)	(57,427)	(58,700)
Net gains on investments	1,430,462	-	76,236	1,506,698
Net income/(expenditure)	1,432,162	(2,973)	18,809	1,447,998
Other recognised gains/(losses)				
Loss on disposal of heritage assets	(5,866)	-	-	(5,866)
Net movement in funds	1,426,296	(2,973)	18,809	1,442,132
Fund balances brought forward at 1st September 2016	15,663,903	39,463	1,073,575	16,776,941
Fund balances carried forward at 31st August 2017	17,090,199	36,490	1,092,384	18,219,073