

**THE FRIENDS OF ESSEX CHURCHES TRUST  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2019**

**Registered Charity Number: 236033**

**EDMUND CARR LLP**

Chartered Accountants  
146 New London Road  
Chelmsford  
Essex  
CM2 0AW

**THE FRIENDS OF ESSEX CHURCHES TRUST**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2019**

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**THE FRIENDS OF ESSEX CHURCHES TRUST**  
**TRUSTEES (THE EXECUTIVE COMMITTEE)**

**In office during 2019 or at 16 March 2020**

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<b>Chairman</b>	Mr J Beale
<b>Vice-Chairman and Hon Secretary</b>	Mr M Stuchfield
<b>Hon Treasurer</b>	Canon H Marsh
<b>Other Trustees</b>	Mrs C Leeder
	Mrs J Cole
	Mrs R Grainger
	Mr L Lepper
	Mr D Lodge
	Mr R Meloy (to 15 May 2019)
	Mr J Pickthorn

## **THE FRIENDS OF ESSEX CHURCHES TRUST**

### **OTHER OFFICIALS OF THE ASSOCIATION**

#### **YEAR ENDED 31 DECEMBER 2019**

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**Patrons** Mrs Jennifer Tolhurst, H M Lord-Lieutenant of Essex  
The Right Revd. Stephen Cottrell, Bishop of Chelmsford  
The Right Revd. Alan Williams, Bishop of Brentwood

**President** The Right Revd. Thomas McMahon

**Holding Trustees** Mr J Beale  
Mr M Stuchfield  
Canon H Marsh

#### **Registered Office**

5, Vicarage Lane, Great Baddow, Chelmsford, CM2 8HY

#### **Charity Commission Registration Number**

236033

#### **Bankers**

Barclays Bank plc, 40-41 High Street, Chelmsford, CM1 1DE

Shawbrook Bank, Lutea House, Warley Hill Business Park, Brentwood CM13 3BE

Virgin Money, Jubilee House, Gosforth, Newcastle on Tyne, NE3 4PL

#### **Investment Manager**

M & G Securities Ltd, Laurence Pountney Hill, London, EC4R 0HH

#### **Independent Examiner**

Ray Crace FCA, Edmund Carr LLP, 146 New London Road, Chelmsford, Essex, CM2 0AW

# **THE FRIENDS OF ESSEX CHURCHES TRUST**

## **REPORT OF THE TRUSTEES**

### **YEAR ENDED 31 DECEMBER 2019**

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The trustees present their report together with the financial statements for the year ended 31 December 2019 which have been the subject of an independent examination.

#### **OBJECTIVES AND ACTIVITIES**

The principal objects of the Trust are the promotion of public interest in the history of the Christian Churches in the area of the Diocese of Chelmsford and assisting in the preservation, repair and restoration of their fabric, through grant giving. From January 2015 grants are also made for work to improve church buildings.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities.

#### **Grant making policy**

The charity invites applications for the funding of repair and restoration projects, and from 2015 also for improvements to churches. Applications are reviewed against specific criteria by the Grants Committee which meets quarterly. Grants are allocated based on the highest priority and the funds available.

In September the Trust received a grant of £20,000 from Allchurches Trust Limited to help fund the cost of alarms/protection systems for roofs of churches in the Diocese of Chelmsford. Initially this is for the period to 31 May 2021 and applications will be handled by the Grants Committee. Half the cost of a roof alarm will be funded, up to £2,500 and our Trust will add grants of up to £2,000 to assist with installation costs. No grants have yet been made.

#### **ACHIEVEMENTS AND PERFORMANCE**

The 2019 grant allocations for maintenance and improvements were £166,000 (2018 - £89,000). Grants were offered to a total of 23 Churches and ranged in amount from £2,000 to £15,000. Grant cheques of £105,500 (2018 - £242,750) were paid in the year for completed projects. During 2019 the total grant allocations included £30,000 for improvements to 3 churches.

#### **FINANCIAL REVIEW**

The accounts for the financial year ended 31 December 2019 are set out on the following pages 7 to 13. The Statement of Financial Activities and the Balance Sheet, together with the accompanying notes, provide a detailed review of the charity's performance for the year.

Largely due to several large legacies received in 2019 during the year income (excluding the gain on investments) increased from £142,800 in 2018 to £193,961, both figures including the gross receipts from the Ride & Stride event. Support expenditure remained low.

During the year a number of fundraising events are held at which volunteers provide support. These events, of which the principal one is Ride & Stride, have generated income of £63,261, and the charity expects that this level of income will be maintained, or even hopes it might increase once again.. Of the money raised by Ride and Stride approx 50%, net of gift aid, is returned to the participating Churches and this figure is shown in the Notes.

## **THE FRIENDS OF ESSEX CHURCHES TRUST**

### **REPORT OF THE TRUSTEES (*Continued*)**

#### **YEAR ENDED 31 DECEMBER 2019**

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##### **Investment Policy**

There are no restrictions on the charity's power to invest. The investment strategy is set by the trustees and takes account of recent demand for funds and the grant making policy set out above. Since 2014 the only stock investment has been in M & G Charifund income units. When market conditions seemed to be low in 2018 a substantial proportion was redeemed at a small gain. Conditions seemed to worsen again in 2019 and a third of the investment was again redeemed at a gain of £5,263. The performance of the investment will continue to be monitored by the trustees.

##### **Reserves Policy**

It is the policy of the charity to maintain unrestricted reserves at a level consistent with enabling the charity to provide sufficient funds to meet the agreed grants allocation for the year plus expected outgoings and a provision for contingencies.

The agreed grants allocation for the year will be constrained by the previous year's income less expected outgoings plus any reduction in reserves adopted by the Committee from time to time.

The reserves policy is reviewed annually and a range of options consistent with prudent investment policy considered.

The trustees consider the current level of reserves is just enough to meet this policy.

#### **STRUCTURE GOVERNANCE AND MANAGEMENT**

The Friends of Essex Churches Trust is registered as a charity with the Charity Commission. The affairs of the Trust are governed by its Constitution which was originally adopted on 29 January 1983 as amended most recently on 13 May 2015.

##### **Trustees**

The trustees of the Trust both during 2019 and at the date of signature are set out on page 1. The Executive Committee (trustees) consists of the honorary officers and not less than 5 and not more than 11 members elected at the annual general meeting, who hold office from the conclusion of that meeting.

The honorary officers, being the Chairman, Vice-Chairman, Secretary and Treasurer, are elected by the members from amongst themselves at the annual general meeting.

Other Executive Committee members are nominated by members of the Charity in writing to the Secretary of the Executive Committee at least 14 days before the annual general meeting. Should nominations exceed vacancies, elections are by ballot.

When a new trustee is appointed appropriate training and induction are provided.

**THE FRIENDS OF ESSEX CHURCHES TRUST**  
**REPORT OF THE TRUSTEES (*Continued*)**  
**YEAR ENDED 31 DECEMBER 2019**

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**Trustees' Responsibilities**

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

The trustees are responsible for keeping accounting records that disclose with reasonable accuracy the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Independent Examiner**

Following the trustees' decision in 2015 to move to an independent examination, Ray Crace FCA of Edmund Carr LLP was appointed as Independent Examiner. Mr Crace has expressed his willingness to continue in office and a resolution to re-appoint him will be proposed at the annual general meeting.

The accounts (financial statements) have been prepared in accordance with the statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Approved by the trustees on 16 March 2020 and signed on their behalf by:

**H A Marsh**

Hon Treasurer

**J Beale**

Chairman

**THE FRIENDS OF ESSEX CHURCHES TRUST**  
**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES**  
**YEAR ENDED 31 DECEMBER 2019**

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I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2019, which are set out on pages 7 to 13.

**Responsibilities and basis of report**

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

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

**Independent examiner's statement**

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

1. Accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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

**R Crace FCA**

146 New London Road  
Chelmsford  
Essex  
CM2 0AW

**28 March 2020**



# THE FRIENDS OF ESSEX CHURCHES TRUST

## STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 DECEMBER 2019

	Note	Unrestricted 2019 £	Restricted 2019 £	Total Funds 2019 £	Total Funds 2018 £
<b>Income from:</b>					
Grants, donations and subscriptions	2	36,890	20,000	56,890	58,184
Legacies		62,460	-	62,460	1,000
Fundraising activities	3	63,261	-	63,261	69,528
Investment income	4	11,350	-	11,350	14,088
<b>Total income</b>		<u>173,961</u>	<u>20,000</u>	<u>193,961</u>	<u>142,800</u>
<b>Expenditure on:</b>					
Fundraising activities	5	25,449	-	25,449	25,957
Charitable activities	6	169,775	-	169,775	88,178
<b>Total expenditure</b>		<u>195,224</u>	<u>-</u>	<u>195,224</u>	<u>114,135</u>
<b>Net gains/(losses) on investments</b>	8	25,768	-	25,768	( 27,429)
<b>Net income/(expenditure) / Net movement in funds</b>		<u>4,505</u>	<u>20,000</u>	<u>24,505</u>	<u>1,236</u>
<b>Reconciliation of funds</b>					
Total funds brought forward		319,802	-	319,802	318,566
<b>Total funds carried forward</b>		<u>324,307</u>	<u>20,000</u>	<u>344,307</u>	<u>319,802</u>

The charity has no recognised gains or losses other than the results for the year as set out above.

All income and expenditure in 2018 was unrestricted

The notes on pages 9 to 13 form part of these financial statements.

**THE FRIENDS OF ESSEX CHURCHES TRUST****BALANCE SHEET****AS AT 31 DECEMBER 2019**

		2019	2018
	Note	£	£
<b>FIXED ASSETS</b>			
Investments	8	143,898	180,353
<b>CURRENT ASSETS</b>			
Debtors	9	555	2,719
Cash at bank	10	381,414	257,730
		<u>381,969</u>	<u>260,449</u>
<b>CREDITORS: Amounts falling due within one year</b>	11	<u>181,560</u>	<u>121,000</u>
<b>NET CURRENT ASSETS/ LIABILITIES</b>		200,409	139,449
<b>NET ASSETS</b>		<u>344,307</u>	<u>319,802</u>
<b>FUNDS OF THE CHARITY</b>			
Unrestricted General Fund	12	324,307	319,802
Restricted Funds		20,000	-
<b>TOTAL CHARITY FUNDS</b>		<u>344,307</u>	<u>319,802</u>

Approved by the Trustees on 16th March 2020 and signed on their behalf by:

**H A Marsh**  
Hon Treasurer

**J Beale**  
Chairman

The notes on pages 9 to 13 form part of these financial statements.

**THE FRIENDS OF ESSEX CHURCHES TRUST**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2019**

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**1. Accounting Policies**

**Basis of accounting**

The accounts (financial statements) have been prepared in accordance with the statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (SORP 2019) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

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

**General Information**

The Friends of Essex Churches Trust is an unincorporated charity which meets the definition of a public benefit entity under FRS 102. The registered office is 5 Vicarage Lane, Great Baddow, Chelmsford, CM2 8HY.

**Branches**

The committee consider the overall activities of branches to be immaterial and account for them on a net income received basis.

**Fundraising activities**

The committee consider directly attributable expenditure on fundraising activities to be material, therefore income is accounted for gross of expenditure. The return payments to local Churches are shown as outgoings.

**Income and expenditure**

All income and expenditure is recognised once there is a legal or constructive obligation to that income/ expenditure, it is probable that settlement is required and the amount can be measured reliably.

**Legacies received**

Legacies are accounted for when receivable as long as they are capable of financial measurement.

**Investment Income**

Investment income is accounted for on a received basis.

**Interest on bank deposits**

Interest is accounted for on an accruals basis.

**Grants Payable**

Grants payable are recognised as expenditure when the grant is allocated.

# THE FRIENDS OF ESSEX CHURCHES TRUST

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS *(Continued)*

### YEAR ENDED 31 DECEMBER 2019

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#### Debtors and Creditors

Trade and other debtors are recognised at the settlement amount due. Creditors are recognised at their settlement amount.

#### Fund accounting

Unrestricted general funds - these are funds which can be used in accordance with the charitable object at the discretion of the trustees.

Restricted funds - these are funds that can only be used for particular restricted purposes within the objects of the charity.

#### Taxation

As the Trust is a charity, it is exempt from taxation - other than VAT, which is included in the relevant costs in the Statement of Financial Activities - to the extent that any income and gains are applied to its charitable objectives.

### 2. Donations and Subscriptions

	Unrestricted 2019 £	Restricted 2019 £	Total Funds 2019 £	Total Funds 2018 £
Donations and subscriptions	34,296	-	34,296	54,846
Grant from Allchurches Trust	-	20,000	20,000	-
Gift Aid	2,594	-	2,594	3,338
	<u>36,890</u>	<u>20,000</u>	<u>56,890</u>	<u>58,184</u>

### 3. Income from Fundraising Activities

	Unrestricted 2019 £	Restricted 2019 £	Total Funds 2019 £	Total Funds 2018 £
Ride and Stride - Donations	30,035	-	30,035	43,923
- Gift Aid	3,898	-	3,898	6,060
Other Events - Donations & Charges	28,929	-	28,929	19,545
- Gift aid	399	-	399	-
	<u>63,261</u>	<u>-</u>	<u>63,261</u>	<u>69,528</u>

### 4. Investment Income

	Unrestricted 2019 £	Restricted 2019 £	Total Funds 2019 £	Total Funds 2018 £
Dividends received	9,292	-	9,292	12,193
Interest receivable	2,058	-	2,058	1,895
	<u>11,350</u>	<u>-</u>	<u>11,350</u>	<u>14,088</u>

# THE FRIENDS OF ESSEX CHURCHES TRUST

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS *(Continued)*

### YEAR ENDED 31 DECEMBER 2019

#### 5. Expenditure on Fundraising Activities

	Unrestricted 2019 £	Restricted 2019 £	Total Funds 2019 £	Total Funds 2018 £
Ride and Stride - Expenses	94	-	94	161
- Returned to sponsoring Churches	14,632	-	14,632	20,429
Other Event expenses	10,723	-	10,723	5,367
	<u>25,449</u>	<u>-</u>	<u>25,449</u>	<u>25,957</u>

#### 6. Charitable Activities

	Unrestricted 2019 £	Restricted 2019 £	Total Funds 2019 £	Total Funds 2018 £
Maintenance Grants awarded 20 (2018: 10)	136,000	-	136,000	65,000
Improvement Grants awarded 3 (2018: 5)	30,000	-	30,000	24,000
Grants for gutter clearance	250	-	250	( 5,350)
	<u>166,250</u>	<u>-</u>	<u>166,250</u>	<u>83,650</u>
Promotion of public interest in churches	1,550	-	1,550	2,487
Governance and support costs (note 7)	1,975	-	1,975	2,041
	<u>169,775</u>	<u>-</u>	<u>169,775</u>	<u>88,178</u>

No grants awarded in 2019 exceeded £15,000 (2018: Nil)

#### 7. Governance and Support Costs

	Unrestricted 2019 £	Restricted 2019 £	Total Funds 2019 £	Total Funds 2018 £
Independent examiner's fee	1,560	-	1,560	1,500
Other administration costs	415	-	415	541
	<u>1,975</u>	<u>-</u>	<u>1,975</u>	<u>2,041</u>

#### 8. Investments

	2019 £	2018 £
Market value at 1 January	180,353	323,033
Disposal proceeds	( 62,223)	( 115,251)
Realised gain on investments	5,263	264
Unrealised gain/(loss) on investments	20,505	( 27,693)
Market value at 31 December	<u>143,898</u>	<u>180,353</u>
Historical cost at 31 December	<u>125,768</u>	<u>183,826</u>

All investments are held in M&G Charifund Income units.

# THE FRIENDS OF ESSEX CHURCHES TRUST

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS *(Continued)*

YEAR ENDED 31 DECEMBER 2019

### 9. Debtors

	2019 £	2018 £
Gift Aid recoverable	124	2,283
Interest accrued	431	370
Other accrued income	-	66
	<u>555</u>	<u>2,719</u>

### 10. Cash At Bank

	2019 £	2018 £
<b>Current</b>		
Barclays - 5 various accounts for each section	77,056	22,309
<b>Deposit</b>		
Barclays - easy access	19,358	10,421
Virgin Money - easy access	200,000	140,000
Shawbrook - 12 months fixed deposit	85,000	85,000
	<u>381,414</u>	<u>257,730</u>

### 11. Creditors: amounts falling due within one year

	2019 £	2018 £
Outstanding obligations for grants	180,000	119,500
Accruals	1,560	1,500
	<u>181,560</u>	<u>121,000</u>

### 12. Restricted Funds

	Balance at 01/01/2019 £	Incoming Resources £	Outgoing Resources £	Balance at 31/12/2019 £
Allchurches Trust	<u>-</u>	<u>20,000</u>	<u>-</u>	<u>20,000</u>

The Allchurches Trust provided a grant to assist in carrying out the project of encouraging Churches to install roof alarm systems in order to prevent or minimise the theft of lead from churches' roofs.

All funds held by the charity during 2018 were unrestricted general funds.

# THE FRIENDS OF ESSEX CHURCHES TRUST

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS *(Continued)*

YEAR ENDED 31 DECEMBER 2019

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### 13. Analysis of Net Assets between Funds

	Investments	Other Net Assets	Total
	£	£	£
Restricted funds	-	20,000	20,000
Unrestricted funds	143,898	180,409	324,307
	<u>143,898</u>	<u>200,409</u>	<u>344,307</u>

### 14. Trustees Remuneration/ Related Party Transactions

No trustees or connected persons received any remuneration or personal expenses either directly or indirectly (2018 - nil).

There were no related party transactions during the financial year (2018 - nil).