
THE CHURCH UNION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2019

Registered Charity Number 243535

CONTENTS

	Page
Legal and administrative information	1
Trustees' annual report	2 – 4
Statement of trustees' responsibilities	5
Independent Examiner's report	6
Statement of Financial Activities	7
Statement of Financial Activities for 2018	8
Balance Sheet	9
Statement of Cash Flows	10
Notes to the Financial Statements	11 – 19

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees: The Reverend Prebendary David Houlding (President)
Father Darren Smith (Chairman)
Mrs Claire Epsom (Vice-Chairman) - Resigned 23 September 2019
Father Martin Ennis
Miss Mary Moore (Secretary)

Other Elected Members: Mr Jeffrey Fuller
The Right Reverend Martyn Jarrett
The Reverend Canon Arthur Middleton
Mr David Llewelyn Morgan
The Reverend Barry Smart
Mr Christopher Verity (Deceased 14 July 2019)
The Reverend Grant Naylor
The Reverend Martin Hislop
The Reverend Canon Steven Kirk

Standing Committee: The Reverend Prebendary David Houlding *Ex officio*
The Reverend Darren Smith *Ex officio*
The Reverend Martin Ennis *Ex officio*
Mrs Claire Epsom *Ex officio* - Resigned 23 September 2019
The Reverend Canon Arthur Middleton
Miss Mary Moore *Ex officio*

Registered Office: 16 Commercial Street
Birmingham
B1 1RS

Bankers: Lloyds Bank Plc
Butler Place
Caxton Street
London
SW1H 0PR

Independent Examiner: Nicholas Simkins FCA
Dower House
Bonehill
Staffordshire
B78 3HX

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

TRUSTEES' ANNUAL REPORT

For the year ended 31 December 2019

The trustees present their annual report and financial statements of the charity for the year ended 31 December 2019. The financial statements have been prepared in accordance with the accounting policies set out in note 2 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and 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 (effective January 2015).

STRUCTURE, GOVERNANCE AND MANAGEMENT

The General Trust Fund of the Church Union (Church Union) is governed by a Trust Deed dated 7 May 1934 as amended by a scheme sealed on 9 January 2008. It was registered as a charity on 13 September 1966.

Organisation

The Council, consisting of the President and 12 elected members, governs the Church Union. These members, (6 being clergy and 6 being Laity) having been nominated by and elected by a postal ballot of all the members of the Church Union. They serve for a period of four years, half being elected every two years in rotation.

The Council annually appoints a Standing Committee comprising the Chairman, Vice-Chairman, Secretary, Treasurer and two clerical and two lay members of the Council. The Council appoints a Secretary, Honorary Treasurer and Solicitor.

Decisions are made by vote at Council meetings and the Council may appoint and dismiss all paid employees of the Church Union.

Policies and procedures for the induction and training of Trustees

Only those who are members of the Church Union are eligible to be elected as members of the Council and so it is unknown for anyone to be so elected who is not already been active in the Church Union. New members, then, take up their post with a sound basic knowledge of the charity's aims, objectives and working practices. In the event of any further induction being necessary it is provided by one of the Officers or another appropriate member of the Council.

TRUSTEES' ANNUAL REPORT (Continued)

For the year ended 31 December 2019

OBJECTIVES AND ACTIVITIES

The principal object of the Church Union is to bring all to worship God in Trinity of Persons and Unity of Substance, and to confess Our Lord Jesus Christ as God and man; by upholding Catholic doctrine, worship, order and discipline in the Church; and by renewing and extending Catholic faith and practice in the Church of England and elsewhere.

The objectives of the Church Union are to promote and renew Catholic faith and life by:

- Commissioning, publishing and distributing literature for the furtherance of the Church Union's objectives, and exploring and developing modern forms of communication;
- Encouraging missions and retreats and other opportunities for personal renewal;
- Encouraging religious education, including the training of clergy and laity in their vocation and mission;
- Developing work among children and young people and providing appropriate resources;
- Fostering vocations to priesthood, the religious life and various forms of accredited lay ministry;
- Promoting study and research in all branches of theology, especially Holy Scripture, doctrine, worship, spirituality, ethics and sociology;
- Organising congresses and conferences;
- Collaborating with other Catholic Societies and organisations;
- To promote and encourage the practical application of Christian principles to social life;
- To work for the visible unity of Christ's Church;
- To afford counsel, protection and assistance to all people, whether clerical or lay, suffering hindrance, deprivation or persecution in consequence of their fidelity to these aims and objectives.

In pursuant of these objectives, the Charity continues to publish an in-house magazine *The Church Observer*, the magazine *Together*, and other materials including the *Ordo* and *Foundations* a resource for Sunday Schools. It also operates a website and recruits new members.

Public benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities and that they remain committed to supporting parishes, institutions and individuals in various wider contexts through modest grant-making and other activities; in considering such grants, the Trustees naturally look for demonstrable public benefit, as is ably demonstrated below.

ACHIEVEMENTS AND PERFORMANCE

The Church Union continued with its publishing work including the *Ordo*, *Church Observer* and *Together*. *Together* is produced in partnership with other Catholic Societies, notably Forward in Faith, The Confraternity of the Blessed Sacrament and Additional Curates Society. The Union continued to give its full support to the Forward in Faith National Assembly and to the Catholic Societies of the Church of England.

GRANT MAKING POLICY

The Church Union has established its grant making policy to achieve its objects for the public benefit. Applications for grants are considered, with reference to the charity's objectives, on a case by case basis by the Board of Trustees.

TRUSTEES ANNUAL REPORT (Continued)

For the year ended 31 December 2019

FINANCIAL REVIEW AND CO-VID 19 IMPACT

The year saw the charity generate net income of £162,125 (2018: £20,885). Income rising on the investments held for restricted funds was wholly re-invested. No legacies were received in 2019 (2018: £nil).

Grants of £7,000 (2018: £10,125) were made during the year.

The investment policy agreed and actioned in the past remained in place throughout the year. The Trustees are satisfied with the performance of the portfolio having regard to the risk profile adopted.

Following the CO-VID 19 outbreak, there has been minimal direct impact upon the day to day operation of the charity. The Trustees consider that the level and nature of the financial reserves at 31 December 2019 and a more up to date review as at 30 June 2020 does not impact upon the assumption that the organisation is a going concern.

RESERVES POLICY

The Trustees are aware of the Charity Commission requirement in regard to Reserves Policy and are satisfied that the level of reserves currently held is warranted to enable them to maintain the objectives of the Charity.

The Trustees review regularly the level of reserves, and the underlying investments and the returns being received on these investments. At the 31 December 2019 unrestricted reserves amounted to £1,102,383 (2018: £946,563) and restricted reserves amounted to £189,553 (2018: £183,248) This represents several years' of ongoing expenditure. It is the policy of the Trustees to maintain at least one year's expenditure in unrestricted reserves.

The Trustees may permit funds to be invested in such a manner as they see fit, provided that such powers if investment are only exercised for the purpose of attaining the objects of the Trust, and in a manner that is legally charitable. The Trustees' agreed Investment Policy is to maintain a balanced portfolio with medium risk.

KEY MANAGEMENT

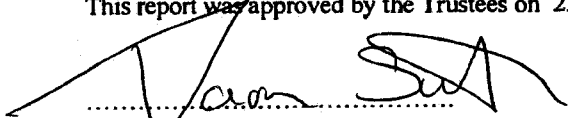
The day to day management of the Charity is the responsibility of the Chairman of the Church Union, who delegates particular areas of management to the Treasurer and Secretary.

RISK FACTORS

During the year the Trustees continued to monitor the major risk factors facing the Charity and they remain satisfied that existing systems and controls are sufficient to mitigate those risks. During the year under review the Charity maintained sound systems of internal financial control, including procedures for authorisation of all transactions projects. Such procedures are kept under on-going review in order to ensure that they meet the Charity's needs.

The impact of COVID -19 on the day to day operations has been minimal with grants continuing to be paid. The future returns on the investment portfolio will be uncertain in the year ahead.

This report was approved by the Trustees on 23 September 2020 and signed on its behalf by



Father Darren Smith
Chairman

STATEMENT OF TRUSTEES' RESPONSIBILITIES

For the year ended 31 December 2019

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

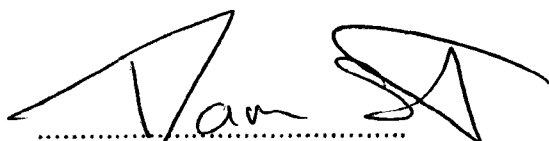
The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and 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 in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

Approved by the Trustees on 23 September 2020 and signed on its behalf by

A handwritten signature in black ink, appearing to read 'Darren Smith', written over a dotted line.

Father Darren Smith
Chairman

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE CHURCH UNION
For the year ended 31 December 2019

I report to the trustees on my examination of the accounts of The Church Union (the Charity) for the year ended 31 December 2019.

This report is made solely to the charity's trustees, as a body, in accordance with Regulation 31 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity's trustees as a body, for my work, for this report, or for the statement I have made.

Responsibilities and basis for report

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

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

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 accounting requirements concerning the form and content of the 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities.

The Trustees have disclosed the impact of COVID 19 on the Charity and have taken all necessary action to identify the future risks associated with operation of the Charity. The Trustees have assessed that the future financial position does not impact upon the assumption that the Charity is a going concern.

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.

Nicholas Simkins FCA
The Dower House
Bonehill
Staffordshire
B78 3HX

STATEMENT OF FINANCIAL ACTIVITIES (Incorporating Income and Expenditure Account)

For the year ended 31 December 2019

	Note	Restricted Funds £	Unrestricted Funds £	Total Funds 2019 £	Total Funds 2018 £
INCOME AND ENDOWMENTS FROM:					
Voluntary income:					
Donations and legacies	4	20,000	10,929	30,929	47,435
Grant income	5	-	2,250	2,250	10,698
Other income	5	-	693	693	4,244
Subscription income	5	-	13,873	13,873	11,694
Income from investments	6	5,755	29,729	35,484	34,671
Total incoming resources		<u>25,755</u>	<u>57,474</u>	<u>83,229</u>	<u>108,742</u>
EXPENDITURE ON:					
Charitable activities	7	50,441	61,738	112,179	7 69,816
Total resources expended		<u>50,441</u>	<u>61,738</u>	<u>112,179</u>	<u>69,816</u>
Net income/(expenditure) before gains and losses on investments		<u>(24,686)</u>	<u>(4,264)</u>	<u>(28,950)</u>	<u>38,926</u>
Unrealised (losses)/gains from investments	11	30,991	160,084	191,075	(18,041)
NET INCOME / (EXPENDITURE)		<u>6,305</u>	<u>155,820</u>	<u>162,125</u>	<u>20,855</u>
Reconciliation of funds					
Total funds brought forward		183,248	946,563	1,129,811	1,108,926
Total funds carried forward		<u>189,553</u>	<u>1,102,383</u>	<u>1,291,936</u>	<u>1,129,811</u>

The notes on pages 11 to 19 form part of these financial statements.

STATEMENT OF FINANCIAL ACTIVITIES (Incorporating Income and Expenditure Account)

For the year ended 31 December 2018

	Notes	Restricted Funds 2018 £	Unrestricted Funds 2018 £	Total Funds 2018 £
INCOME AND ENDOWMENTS FROM:				
Voluntary Income				
Donations and legacies	4	40,000	7,435	47,435
Grant income	5	-	10,698	10,698
Other income	5	-	4,244	4,244
Subscription income	5	-	11,694	11,694
Income from investments	6	5,017	29,654	34,671
Total income		<u>45,017</u>	<u>63,725</u>	<u>108,742</u>
EXPENDITURE ON:				
Charitable activities.	7	18,002	51,814	69,816
Total resources expended		<u>18,002</u>	<u>51,814</u>	<u>69,816</u>
Net income/(expenditure) before gains and losses on investments		<u>27,015</u>	<u>11,911</u>	<u>38,926</u>
Unrealised gains/(losses) from investments	11	(4,233)	(13,808)	(18,041)
NET INCOME / (EXPENDITURE)		<u>27,782</u>	<u>(1,897)</u>	<u>20,885</u>
Reconciliation of funds:				
Total funds brought forward		160,466	948,460	1,108,926
TOTAL FUNDS CARRIED FORWARD		<u>183,248</u>	<u>946,563</u>	<u>1,129,811</u>

The notes on pages 11 to 19 form part of these financial statements.

THE CHURCH UNION

Registered Charity No. 243535

BALANCE SHEET

For the year ended 31 December 2019

	Note	2019 £	£	2018 £	£
FIXED ASSETS					
Investments	11		1,211,550		1,020,474
CURRENT ASSETS					
Debtors	12	-		12,115	
Cash at bank and in hand		82,586		113,590	
		<u>82,586</u>		<u>125,705</u>	
CREDITORS: Amounts falling due within one year	13	<u>(2,200)</u>		<u>(16,368)</u>	
Net current assets			80,386		109,337
Net assets			<u>1,291,936</u>		<u>1,129,811</u>
FUNDS					
Restricted funds	15,16		189,553		183,248
Unrestricted funds	15		1,102,383		946,563
			<u>1,291,936</u>		<u>1,129,811</u>

The notes on pages 11 to 19 form part of these financial statements.

In accordance with section 145 of the Charities Act 2011, the charity is exempt from the requirement for an audit. The constitution does not require the charity to obtain an audit of its accounts for the year in question; the exemption from audit has therefore been claimed

The financial statements were approved by the Trustees on 23 September 2020.

Mrs Mary Moore (Trustee)

.....*Mary Moore*.....

Father Darren Smith (Chairman)

.....*Darren Smith*.....

Registered Charity No. 243535

STATEMENT OF CASHFLOWS

For the year ended 31 December 2019

	Note	2019 £	2018 £
Cash flows from operating activities:			
Net cash provided by/(used in) operating activities	17a	(66,488)	18,845
Net cash provided by/(used in) operating activities		<u>(66,488)</u>	<u>18,845</u>
Cash flows from investing activities:			
Dividends and interest from investments		35,484	34,671
Purchase of investments		-	-
Proceeds on sale of investments		-	-
Net cash provided by/(used in) investing activities		<u>35,484</u>	<u>34,671</u>
Change in cash and cash equivalents in the reporting period		<u>(31,004)</u>	<u>53,516</u>
Cash and cash equivalents at the beginning of the period		<u>113,590</u>	<u>60,074</u>
Cash and cash equivalents at the end of the reporting period	17b	<u>82,586</u>	<u>113,590</u>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2019

1. CHARITY INFORMATION

The Church Union is a charity registered in England and Wales No. 243535. The Registered Office is 16 Commercial Street, Birmingham, B1 1RS.

2. ACCOUNTING POLICIES

a) BASIS OF PREPARATION

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The 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) (effective January 2015) and the Charities Act 2011. The functional and presentational currency is GBP and the accounts are rounded to the nearest £1.

b) INCOME RECOGNITION

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Legacies are credited to the accounts when they have been notified to the trustees and there is reasonable certainty of the amount to be received.

Donations, subscriptions and other forms of voluntary income are credited to the accounts when received and are shown gross; unless the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds. In this case the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

c) PREPARATION OF THE FINANCIAL STATEMENTS ON A GOING CONCERN BASIS

The financial statements have been prepared on a going concern basis. The charity has achieved operating surpluses in both 2019 and 2018 including changes in the market value of investments.

The CO-VID 19 outbreak has not put any direct additional strain on the charity's operational financial performance as grants are still being made. There is no intention to cease or reduce operations.

The most significant area of current uncertainty following CO-VID 19 is the effect on the market value of assets held by the Charity due to the performance of the investment markets.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 December 2019

At 31 December 2019, net assets amounted to £1,291,936 which included £82,586 in the bank and an investment portfolio with a market value of £1,211,550. As at 30 June 2020 the Charity had £79,600 in the bank and the market value of the investment portfolio was £1,207,433 a fall of £4,117 or 0.3% of the market value. It is recognised that the market value of the investment portfolio may fluctuate in the next year which may affect the overall level of reserves.

The Trustees consider that the level and nature of the financial reserves at 31 December 2019 and with a minimal reduction up to 30 June 2020, does not impact upon the assumption that the Charity is a going concern.

d) RESOURCES EXPENDED

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is charged on the accruals basis. Costs are charged to the unrestricted fund unless the cost is specifically identifiable with the restricted fund.

Expenditure included in charitable activities comprises costs of promoting and supporting the objects of the charity. Grants are charged at the point a commitment is made by the Trustees and in the case of ongoing support when there is an expectation by the grantee that a grant will be received.

The appropriate share of costs are charged on an accruals basis and are charged to the unrestricted fund unless the cost is specifically identifiable with the restricted fund.

e) INVESTMENTS

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Trust does not acquire options, derivatives or other complex financial instruments. The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

f) INVESTMENT GAINS AND LOSSES

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 December 2019

g) FINANCIAL INSTRUMENTS

The charity only has financial assets and financial liabilities of a kind that clearly qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Financial Activities.

h) JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In preparing the Financial Statements, management is required to make estimates and assumptions which affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

Other than the CO-VID 19 impact as noted in note 2c above, there are no key assumptions or other sources of estimation that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year.

3. RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT PERSONNEL

The key management personnel of the Charity are the Trustees. The Charity's policy is not to remunerate Trustees other than reimbursement for expenses incurred.

During the year £1,782 (2018 - £3,587) was reimbursed for travel cost expenses to 7 Trustees (2018 - 12).

There were no outstanding balances due to or from Trustees at the year-end (2018 - nil).

Father Darren Smith is the General Secretary of Additional Curates Society and a Trustee in the Church Union. The Additional Curates Society (ACS) acts as a printer for a variety of the Church Union's publications. ACS deducts commission at source from amounts received on the Church Union's behalf and makes other charges as appropriate.

Payments were made to Additional Curates Society in the year totalling £58,604 (2018: £37,224)

At the year end £nil (2018: £14,268) was owed to Additional Curates Society.

4. DONATIONS AND LEGACIES

	2019	2018
	£	£
Donations - unrestricted funds	10,929	7,435
Donations – restricted funds	20,000	40,000
	<u>30,929</u>	<u>47,435</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 December 2019

5. OTHER INCOME

	2019 £	2018 £
Grant income		
Together – Forward in Faith	-	9,115
Other grant income	2,250	1,583
	<u>2,250</u>	<u>10,698</u>
	£	£
Other income		
Royalties	643	4,144
Other	50	100
	<u>693</u>	<u>4,244</u>
	£	£
Subscriptions income		
Membership	12,746	10,665
FCP	583	618
Other	544	411
	<u>13,873</u>	<u>11,694</u>

6. INVESTMENT INCOME

	Restricted Funds £	Unrestricted Funds £	2019 £	Restricted Funds £	Unrestricted Funds £	2018 £
Dividends on investments	5,725	29,571	35,296	5,002	29,567	34,569
Interest on cash deposits	30	158	188	15	87	102
	<u>5,755</u>	<u>29,729</u>	<u>35,484</u>	<u>5,017</u>	<u>29,654</u>	<u>34,671</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 December 2019

7. ANALYSIS OF CHARITABLE ACTIVITIES

	Restricted Funds £	Unrestricted Funds £	2019 £	Restricted Funds £	Unrestricted Funds £	2018 £
Publications	-	31,354	31,354	-	21,522	21,522
Staff salaries (note 9)	43,441	-	43,441	9,252	-	9,252
Administrative costs	-	11,973	11,973	-	14,000	14,000
Office rent	-	8,000	8,000	-	4,000	4,000
Council members expenses	-	1,782	1,782	-	3,587	3,587
Printing & stationery	-	600	600	-	772	772
Subscriptions	-	-	-	-	434	434
Church Observer	-	5,078	5,078	-	4,024	4,024
Legal & professional	-	2,951	2,951	-	2,100	2,100
Grants (note 8)	7,000	-	7,000	8,750	1,375	10,125
	<u>50,441</u>	<u>61,738</u>	<u>112,179</u>	<u>18,002</u>	<u>51,814</u>	<u>69,816</u>

8. ANALYSIS OF GRANTS

The grants are in furtherance of the main objects as set out in the Trustees' Annual Report. The trustees' policy for making grants is to consider applications and prioritise those grants seen as pursuing the objectives most efficiently.

The grants paid or committed to, for the benefit of the following institutions during the year were as follows:

	Restricted Funds £	Unrestricted Funds £	Total 2019 £	Restricted Funds £	Unrestricted Funds £	Total 2018 £
Saint Philip and St James Church, Up Hatherley PCC	-	-	-	2,000	-	2,000
SS Stephen with All Hallows PCC	-	-	-	1,000	-	1,000
St Peter's Hoyland	-	-	-	2,000	-	2,000
SS Silas with All Saints	-	-	-	1,000	-	1,000
St James PCC	-	-	-	1,000	-	1,000
Catholic Societies Vocations Initiative	-	-	-	1,750	1,375	3,125
St Lukes, Kingstanding	1,000	-	1,000	-	-	-
St Silas Pentonville	2,000	-	2,000	-	-	-
Matthew Austin	2,000	-	2,000	-	-	-
Eric Prachar	2,000	-	2,000	-	-	-
	<u>7,000</u>	<u>-</u>	<u>7,000</u>	<u>8,750</u>	<u>1,375</u>	<u>10,125</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 December 2019

9. STAFF COSTS

	2019 £	2018 £
Wages and salaries	42,000	9,100
Social security costs	454	-
Pension costs	987	152
	<u>43,441</u>	<u>9,252</u>

No employee earned £60,000 pa or more.

No remuneration was paid or is payable to Trustees for the year (2018: £nil). The Trustees are considered to be the key management of the Charity. The employee benefits of key management personnel for the Charity was therefore £nil (2018: £nil).

10. INDEPENDENT EXAMINER'S REMUNERATION

The Independent Examiner's remuneration was £2,200 (2018: £2,100) for the preparation and examination of the accounts.

11. FIXED ASSET INVESTMENTS

	CCLA Investments
Market value at 1 January 2019	1,020,474
Unrealised (Losses) / gains in the year	191,076
Market value at 31 December 2019	<u>1,211,550</u>
<i>Historical cost at 31 December 2019</i>	<i>£987,433</i>
Market value at 1 January 2018	1,038,515
Unrealised (Losses) / gains in the year	(18,041)
Market value at 31 December 2018	<u>1,020,474</u>
<i>Historical cost at 31 December 2018</i>	<i>£987,433</i>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 December 2019

12. DEBTORS

	2019 £	2018 £
Trade Debtors	-	12,115
	<u>-</u>	<u>12,115</u>

13. CREDITORS: Amounts falling due within one year

	2019 £	2018 £
Accruals	2,200	16,368
	<u>2,200</u>	<u>16,368</u>

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total £
Investments	1,021,997	189,553	1,211,550
Current assets	82,586	-	82,586
Creditors: amounts falling due within one year	(2,200)	-	(2,200)
	<u>1,102,383</u>	<u>189,553</u>	<u>1,291,936</u>

15. FUNDS RECONCILIATION

	Balance at 1 January 2019	Incoming Resources	Outgoing Resources	Investments gains/(losses)	Balance at 31 December 2019
Restricted Funds	183,248	25,755	(50,441)	30,991	189,553
Unrestricted Funds	946,563	57,474	(61,738)	160,084	1,102,383
	<u>1,129,811</u>	<u>83,229</u>	<u>(112,179)</u>	<u>191,075</u>	<u>1,291,936</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 December 2019

16. RESTRICTED FUNDS

	Balance as at 1 January 2019	Incoming Resources	Outgoing Resources	Investment gains/(losses)	Balance as at 31 December 2019
Jackson Trust	62,375	2,354	(3,000)	12,675	74,404
Martin Trust	63,495	2,396	-	12,904	78,795
Oliphant Trust	26,630	1,005	(4,000)	5,412	29,047
Morgan Trust	30,748	20,000	(43,441)	-	7,307
	<u>183,248</u>	<u>25,755</u>	<u>(50,441)</u>	<u>30,991</u>	<u>189,553</u>

Jackson Trust

In accordance with the terms of the Will, the bequest fund is to provide grants to parishes towards repairs and improvements of church buildings.

Fr John Martin Trust

In accordance with the terms of the Will, the bequest fund is to be used for the support of churches in the Province of York that are of Catholic nature and which do not support the ordination of women.

Oliphant Bequest Fund

In accordance with the terms of the Will, the bequest fund is to be used for training Ordinands for the Ministry of the Church of England.

Morgan Trust

Donation towards funding the staffing costs of the Church Union.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 December 2019

17. NOTES TO THE CASH FLOW STATEMENT

a. Reconciliation of net income/(expenditure) to net cash flow from operating activities	2019 £	2018 £
Reconciliation of net income/(expenditure) for the reporting period (as per the statement of financial activities)	162,125	20,885
Adjustments for:		
Losses/(Gains) on investments	(191,075)	18,041
Dividends and interest from investments	(35,485)	(34,671)
Decrease/(Increase) in debtors	12,115	8,646
Increase/(decrease) in creditors	(14,168)	5,944
Net cash (used in) operating activities	<u>(66,488)</u>	<u>18,845</u>
 b. Analysis of cash and cash equivalents	 2019 £	 2018 £
Cash at bank and held in investments	<u>82,586</u>	<u>113,590</u>
Total cash and cash equivalents	<u>82,586</u>	<u>113,590</u>

18. FUNDS HELD ON BEHALF OF A THIRD PARTY

The Trustees of the Church Union act as custodian trustees for the Tudor Roberts Will Trust.

The trust has a portfolio which is managed by CCLA. The market value of the portfolio at the year end was £861,658 (2018: £727,335)

As the portfolio is held only in the capacity of custodian trustee, it is not reflected in the Balance Sheet. Similarly, income generated by the portfolio is not reflected in the Statement of Financial Activities.