

CATHOLIC APOSTOLIC CHURCH TRUST PROPERTY
(Registered with The Charity Commissioners)

FINANCIAL STATEMENTS

31 MARCH 2021

Registered Charity Number: 245250

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CATHOLIC APOSTOLIC CHURCH TRUST PROPERTY

TRUSTEES REPORT

FOR THE YEAR ENDED 31 MARCH 2021

1. REFERENCE AND ADMINISTRATION

The Trust

The Trust's aims are best described as for "The advancement of the Christian Religion". To this end the Trust holds two funds.

The English Property Fund (an endowment fund), which holds land and buildings and the proceeds of land and buildings previously sold, as a capital fund, the income from which, after meeting administration and maintenance costs, is used for religious and other charitable purposes in connection with the advancement of the Christian Religion.

The General Purposes Fund, which holds investments the income from which, after meeting administration costs, is used for religious and other charitable purposes in connection with the advancement of the Christian Religion.

Trustees

The Trustees who served throughout the year were:-

Jonathan Michael Pitts
Philip Arthur Whittaker
Christopher Benjamin
Trevor Benjamin
Thomas David Baldwin
Anthony John Reynoldson
Jonathan Francis Carter (appointed 2nd December 2020)

The Trustees are appointed by a resolution of the Trustees

Charity Registration Number	245250
Secretary to the Trustees	J C Stacy
Address	2 The Cloisters Gordon Square London WC1H 0AG
Bankers	C. Hoare & Co Ltd 37 Fleet Street London EC4P 4DQ
Solicitors	Hunters Law LLP 9 New Square Lincoln's Inn London WC2A 3QN
Registered Auditors	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
Investment Advisers	CCLA Investment Management Limited Senator House, 85 Queen Victoria Street London EC4V 4ET
Investment Powers	The provisions of the Trustee Investments Act 1961 apply, now the Trustee Act 2000

CATHOLIC APOSTOLIC CHURCH TRUST PROPERTY

TRUSTEES REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2021

1. STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Charity is governed by a Charity Commission Scheme dated 21st November 1973.

Management

The routine affairs of the Trust are executed by the Secretary to the Trustees who has delegated executive powers to manage the day to day operations of the Trust from the Trust Office at no. 2 The Cloisters Gordon Square London WC1H 0AG.

The Trustees normally have four formal meetings each year. Separate sessions are held for the General Purposes Fund and the English Property Fund. The affairs and business of the Trust are agreed by the Trustees at these quarterly formal meetings and thereafter actioned on their behalf by the Secretary.

The Secretary has day to day access to the Trustees.

The Trustees and their Secretary, as part of their Risk Management commitment, have produced a Procedures Manual setting down the day to day functions of the Charity and a panel of Trustees audit and update the document at regular intervals. Risks both to and from buildings and premises are managed by the employment of professionals (architects and building surveyors) and mitigated by insurance cover, which includes cover for terrorism. Financial investment risks are managed by the employment of external fund managers from CCLA, who manage the Trust's COIF ethical investment portfolio.

Safeguarding issues concerning Christian organisations using the Trust's church buildings have been investigated. These various bodies' safeguarding policies have been vetted by a legal advisor specializing in these matters, who advised the Trustees as to their suitability for purpose. The Trustees are monitoring these organisations' compliance with their written safeguarding policies. The Trustees have their own agreed over-arching policy, which is displayed at each of the Trust's premises.

With these various measures in place the Trustees are confident that risks are contained at an acceptable level.

Trustees

Trustees are selected from members of previous congregations of the Catholic Apostolic Church or those sympathetic to its objectives. A proposed new Trustee is initially interviewed by the Chairman and Trustees. Following approval and appointment, the new Trustee is issued with an information pack detailing the history of the Trust including copies of the various historical Trust deeds and a booklet explaining the role of the Charity Commission. A one to one induction session with the Secretary to the Trustees structured around the Office Procedures Manual, which covers all aspects of the day to day running and organisation of the Trust, is programmed.

Associated Charities

The Trust has one associated charity "The Paddington Church Trust" Charity Registration number 245205.

Staff

The Trust employs an executive officer with the title of "Secretary to the Trustees" and a resident Caretaker and an Assistant to the Caretaker for the Chapel and associated properties at the Albury site near Guildford.

Caretaking services for the Church and Cloisters in Gordon Square, London are provided by the appointed managing agents, Hudsons Property.

CATHOLIC APOSTOLIC CHURCH TRUST PROPERTY

TRUSTEES REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2021

3. OBJECTIVES AND ACTIVITIES

The objective of the Trust is advancement of the Christian religion by the making of grants to assist the clergy in the major branches of the Christian Church in the United Kingdom and for the welfare of both poor members and widows of congregations of the Catholic Apostolic Church and for the maintenance of the remaining church buildings from the Catholic Apostolic Church and their appropriate use for worship by other Churches and congregations as agreed.

Public Benefit

The Trustees have consulted the guidance made available by the Charity Commission for England and Wales on the Public Benefit requirement of the Charities Act 2011.

The Trustees are confident that they have complied with their duty under section 17 of the Charities Act 2011 in that they have had due regard to public benefit guidance as currently published by the Commission.

In furtherance of its charitable purposes for the public benefit in the “Advancement of the Christian Religion” the Trustees give details of their activities this financial year under the following two headings “Grants awarded” and “Maintenance of Retained Properties”.

Grants awarded

General Purposes Fund

The Trust holds the General Purposes Fund, which holds investments the income from which, after meeting administration costs, is available for religious and other charitable purposes in connection with the advancement of the Christian Religion.

During the year the following grants were made:-	£
Additional Curates Society	55,000
Forward in Faith Chaplaincy support	16,000
Greek Orthodox Church	25,000
Roman Catholic Church	15,000
Greek Orthodox University Chaplaincy support	20,000
Russian Orthodox Church	15,000
Wolverhampton Christian Fellowship	25,000
	<hr/>
	161,000
Various small grants	20,340
	<hr/>
	£191,340
	<hr/>

English Property Fund

The Trust holds the English Property Fund (an endowment and restricted fund) which holds land and buildings and the proceeds of land and buildings previously sold, as a capital fund, the income from which after meeting administration and maintenance costs is restricted for religious and other charitable purposes in connection with the advancement of the Christian Religion.

During the year the following grant was made:

Forward in Faith general purposes	<u>£32,250</u>
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CATHOLIC APOSTOLIC CHURCH TRUST PROPERTY

TRUSTEES REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2021

3. OBJECTIVES AND ACTIVITIES (continued)

Maintenance of Retained Properties

The retained properties are maintained as required for historic and listed buildings. During the year the following works were undertaken:-

The Cloisters

The flats in the Cloisters were let by the appointed managing agents Hudsons Property. Routine maintenance tasks were undertaken during the year. Redecoration and some refurbishment works were undertaken on four flats, between occupancies. These were under the supervision, where appropriate, of the Trustees' appointed Architect for the building, Nye Saunders Ltd.

Rental income from these flats is used to support the Trust's objects.

Central Church (commonly known as Christ the King)

The English Chapel, meeting rooms and basement office accommodation is currently leased to Forward in Faith, part of the Church of England. Forward in Faith employs a Priest as chaplain and Eucharist services are held each weekday in the Chapel, which is open to the general public for private devotions from 8.30am until 4pm each working day. However, usage has been severely curtailed by the Government, due to the Covid pandemic

The main Church building is licenced to Euston Church an evangelical outreach of the Church of England (under the oversight of the Bishop of London). Morning and evening services are held every Sunday as well as weekday services and Bible study meetings. Again, usage has been partially curtailed by the Government, due to the Covid pandemic, although substitute on-line services were taken by Clergy based on site.

The main Church is normally also used for monthly public organ recitals, for which no admission charge is made. However, these have not been possible this year due to the Covid pandemic.

This property also houses the Church registers for baptism and marriage for closed Catholic Apostolic Churches in the United Kingdom and also the USA and Canada to which church members and the public have access via the Trustees' Secretary.

Routine maintenance tasks were undertaken during the year. All work is carried out under the supervision of the appointed Architect, Nye Saunders Ltd.

Albury Site Properties

Albury Chapel

This property houses religious archives from the Catholic Apostolic Church and is visited by members of Catholic Apostolic Church congregations from the United Kingdom, Europe, United States, Canada, Australia and S Africa.

Cooks Place

The east end of this property is used by the Albury site Custodian and the west section is leased to a tenant. Rental income from both east and west section accommodation is used to support the Trust's objects. The rental values of the two sections were reassessed during the year by qualified local professionals. Parts of the house are 13th century and it is listed.

CATHOLIC APOSTOLIC CHURCH TRUST PROPERTY

TRUSTEES REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2021

3. OBJECTIVES AND ACTIVITIES (continued)

Lyne Cottage

This building is used by the Caretaker.

Routine maintenance tasks on the various properties at Albury were undertaken during the year. All work is carried out under the supervision of the appointed Architect, Nye Saunders Ltd. Nye Saunders also carried out a detailed fabric inspection of the Chapel during the year, to check for any remedial works likely to be needed in the next few years.

Wolverhampton Church

The property is currently leased to The Wolverhampton Christian Fellowship, a non-conformist Church. The Trustees are satisfied that the lessees continue to comply with the issues of a good housekeeping nature identified in the current Fire Risk Assessment.

Routine maintenance tasks have been undertaken during the year, under the supervision of the appointed Architect for the site, Thorne Architecture Ltd.

4. ACHIEVEMENTS AND PERFORMANCE

During the year, the Covid pandemic has necessitated some adjustments. Budgets took account of predicted levels of reduction in various income streams, although in practice income has not suffered as much as anticipated. Office staff (paid and voluntary) worked from home as much as practicable, generally only going in once a week to deal with post received, filing and requests.

Caretaking staff at Albury have not been directly affected by Covid at work, as they live on site. Caretaking in London, after initial concerns regarding the possible effect of changes to public transport, proceeded as normal, subject to appropriate protective measures. Similarly, contractors working at the various properties have generally been able to continue as normal, subject to appropriate protective measures.

The Trustees are satisfied that all current property maintenance requirements as advised by their appointed Architects have either been carried out or are programmed and funded for execution within the time scales recommended.

The Trustees are satisfied that, after providing sufficient funds for building maintenance and reserves for future years, the level of grants made during the year properly utilised the available investment income. The Trustees are satisfied that the Trust is considered a going concern.

The Trustees are satisfied that a reasonable return on investments has been obtained without undue risk (as advised by consultants) and a reasonable income from revenue generating property has been obtained (as advised by consultants). It should be understood that the Trustees maintain an ethical investment policy.

The Trust's funds are held within the COIF Charities Fixed Interest Fund and COIF Charities Ethical Investment Fund and the COIF Charities Property Fund. These are managed by CCLA and are subject to their Socially Responsible Investment policies with which the Trustees are in agreement. The Funds are promoted as Responsible Funds that consider the economic, social and environmental impacts of the companies in which the funds invest and avoid direct investment in areas such as armaments, gambling and tobacco.

The CCLA COIF fund managers have a proactive engagement process with companies in which it invests on non-financial issues which could have a material impact on business such as supply chain management, environmental impacts, human rights and labour standards and the Trustees are in agreement with this approach.

The charity does not carry out any fundraising with the public and has had no complaints in the year with regard to fundraising practices.

CATHOLIC APOSTOLIC CHURCH TRUST PROPERTY

TRUSTEES REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2021

5. RISK REVIEW

Risk Area	Likelihood	Impact	Mitigation	Monitoring
External				
Economy	Medium	Low	Financial Advisors	Secretary
Terrorism	Low	High	Insurance Cover	Secretary
Internal				
Investments	Low	Medium	Financial Advisors	Secretary
Buildings				
Income Cloisters	Low/Medium	Low/Medium	Letting Managers	Secretary
Maintenance -				
Central church	Medium	Low	Technical Advisors	Secretary
Cloisters	Medium	Low	Technical Advisors	Secretary
Wolverhampton	Medium	Low	Technical Advisors	Secretary
Albury	Medium	Low	Technical Advisors	Secretary
Paddington	Medium	High	Financial Reserves	Secretary
Personnel - Secretary				
- Failure	Low	Medium	Procedures Manual	Trustees
- Resignation	Low	Medium	Procedures Manual	Trustees
Caretaker				
- Central Church	Low	Medium	Procedures Manual	Secretary
- Albury	Low	Low	Procedures Manual	Secretary

6. FINANCIAL REVIEW

The Trust is reliant on the income from its investments, which are long term funds seeking capital growth and sustainable income with protection from inflation. Income from investments amounted to £785,316, an decrease of £12,338 from the previous year. Investment management costs decreased by £251,095 due to one-off roof repairs and external decoration works at the Cloisters property in the previous year. Investments recorded gains of £2,555,993, due to a recovery in stock markets, which compares with losses of £421,754 in the previous year. The charity's investment properties were revalued in the year by Hudson's, making a gain of £2,785,000.

Covid 19 has had no noticeable effect on finances to 31 March 2021.

The Trustees maintain reserves at a level to provide sufficient income to fund grants made by the General Purposes Fund and to meet costs that may arise on the properties of the English Property Fund. Unrestricted reserves increased to £9,760,748 and restricted funds rose to £18,562,177.

7. PLANS FOR THE FUTURE

PROPERTY

The Trust has a ten year forward maintenance profile in place, identifying the major property maintenance works that are expected to be required over the period to the current building stock, to which estimated costs have been applied. The Trustees are confident that proper allowance has been made on a year by year basis to meet these expenses.

CATHOLIC APOSTOLIC CHURCH TRUST PROPERTY

TRUSTEES REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2021

8. TRUSTEES' RESPONSIBILITIES STATEMENT (continued)

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

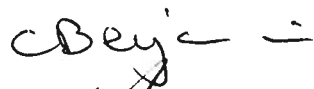
The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing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

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in 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 enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charity (Accounts and Reports) Regulations 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.

Approved by the Trustees on 16 June 2021 and signed as authorised on their behalf by:

Trustee



Trustee



INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF CATHOLIC APOSTOLIC CHURCH TRUST PROPERTY

Opinion

We have audited the financial statements of Catholic Apostolic Church Trust Property for the year ended 31 March 2021 which comprise the Balance Sheet, the Statement of Financial Activities, the Statement of Cash Flows 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 31 March 2021 and of the charity's net movement in funds for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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.

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:

- adequate accounting records have not been kept by the charity; or
- sufficient accounting records have not been kept; or
- the charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF
CATHOLIC APOSTOLIC CHURCH TRUST PROPERTY (continued)**

Responsibilities of trustees for the financial statements

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 and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to compliance with employment law and health and safety regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011 and payroll taxes.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to management bias in certain accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting minutes of trustees meetings;
- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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 this report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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's trustees as a body for our audit work, for this report, or for the opinions we have formed.



Haysmacintyre LLP
Statutory Auditors
Date: 16 June 2021

10 Queen Street Place
London
EC4R 1AG

Haysmacintyre LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

CATHOLIC APOSTOLIC CHURCH TRUST PROPERTY

BALANCE SHEET

AS AT 31 MARCH 2021

		2021		2020	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets -					
Freehold Property – charitable use	2		501		501
Investment property	3	11,285,000		8,500,000	
Investments	4	16,392,535		13,836,542	
			27,677,535		22,336,542
			27,678,036		22,336,542
CURRENT ASSETS					
Amounts due within one year:					
Debtors	5	112,083		77,914	
Cash at bank and in hand	6	567,327		533,066	
		679,410		610,980	
CREDITORS: amounts due within one year	7	(34,521)		(16,451)	
NET CURRENT ASSETS			644,889		594,529
			£28,322,925		£22,931,572
General Purposes Fund (unrestricted)			9,760,748		8,348,025
English Property Fund (restricted)			18,562,177		14,583,547
FUNDS	8		£28,322,925		£22,931,572

The financial statements were approved and authorised for issue by the Board of the Trustees on 16 June 2021 and were signed below on its behalf by:

Trustee

C. Beja -

Trustee



CATHOLIC APOSTOLIC CHURCH TRUST PROPERTY

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	General Purposes Fund (Unrestricted) £	English Property Fund (Restricted) £	Total 2021 £	Total 2020 £
Income and endowments from:					
Investments	9	321,880	463,436	785,316	797,654
Other trading activities	10	379	-	379	1,048
Total		<u>322,259</u>	<u>463,436</u>	<u>785,695</u>	<u>798,702</u>
Expenditure on:					
<i>Raising funds:</i>					
Investment management costs	11	-	185,535	185,535	436,630
<i>Charitable activities:</i>					
Religious		179,997	35,250	215,247	225,439
Widows and poor		22,248	-	22,248	40,363
Building maintenance		100,645	211,660	312,305	353,103
Total charitable activities	12	<u>302,890</u>	<u>246,910</u>	<u>549,800</u>	<u>618,905</u>
Total		<u>302,890</u>	<u>432,445</u>	<u>735,335</u>	<u>1,055,535</u>
Net income/(expenditure) and net movement in funds before gains and losses on investments					
		19,369	30,991	50,360	(256,833)
Net (losses) gains on investments					
- realised and unrealised	4	1,393,354	1,162,639	2,555,993	(421,754)
- Unrealised Gain (loss) on revaluation of Investment property		-	2,785,000	2,785,000	-
		<u>1,412,723</u>	<u>3,978,630</u>	<u>5,391,353</u>	<u>(678,587)</u>
Transfers		-	-	-	-
NET MOVEMENT IN FUNDS		<u>1,412,723</u>	<u>3,978,630</u>	<u>5,391,353</u>	<u>(678,587)</u>
Reconciliation of funds					
Total funds brought forward		8,348,025	14,583,547	22,931,572	23,610,159
Total funds carried forward	8	<u>£9,760,748</u>	<u>£18,562,177</u>	<u>£28,322,925</u>	<u>£22,931,572</u>

All incoming resources and resources expended derive from continuing activities.

All gains and losses recognised in the year are included in the Statement of Financial Activities.

The comparative Statement of Financial Activities for the year ended 31 March 2020 is shown in note 21 to these financial statements.

CATHOLIC APOSTOLIC CHURCH TRUST PROPERTY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	2021 £	2020 £
Cash flows from operating activities:		
Net cash used in operating activities (see below)	(751,055)	(1,127,833)
Cash flows from investing activities		
Dividends, interest and rents from investments	785,316	869,654
Net cash provided by investing activities	785,316	869,654
Change in cash and cash equivalents in the year	34,261	(258,179)
Cash and cash equivalents at the start of the year	533,066	791,245
Cash and cash equivalents at the end of the year	£567,327	£533,066

RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

Net movement in funds (as per the Statement of Financial Activities)	5,391,353	(678,587)
Adjustments for:		
Gains/(losses) on investments	(5,340,993)	421,754
Dividends, interest and rent from investments	(785,316)	(869,654)
(Increase)/decrease in debtors	(34,169)	(2,732)
Increase in creditors	18,070	1,386
Net cash used in operating activities	(£751,055)	£(1,127,833)

Analysis of changes in net funds

	At 1 April 2020 £	Cash flows £	Other non-cash changes £	At 31 March 2021 £
Cash and bank/deposits	533,066	34,261	-	567,327

CATHOLIC APOSTOLIC CHURCH TRUST PROPERTY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of financial statements are as follows:

a) **Basis of preparation**

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 Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019) and, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Catholic Apostolic Church Property meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

b) **Preparation of the accounts on a going concern basis**

Having considered future budgets and cash flows, the trustees confirm that they have no material uncertainties about the entity's ability to continue as a going concern for the foreseeable future. The most significant uncertainty that affect the carrying value of assets held by the charity are the level of investment return and the performance of investment markets. Whilst Covid 19 may affect the precise level of grants made, the predicted budgets and the Trust's large investments indicate that it continues to be a going concern for the foreseeable future.

c) **Income**

All incoming resources are included in the SOFA 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. The following specific policies apply to categories of income:

Donations & Grants where related to performance and specific deliverables are accounted for as the charity earns the right to consideration by its performance. Where income is received in advance of its recognition it is deferred and included in creditors. Where entitlement occurs before income being received the income is accrued.

Investment income is credited to income when it is receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

d) **Expenditure and irrecoverable VAT**

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

The cost of generating funds consists of the property management and property repairs and maintenance costs are shown in note 11.

Grants payable are payments made to third parties in the furtherance of the charitable objectives of the Charity. The grants are accounted for where either the trustees have agreed to pay the grant without condition and the recipient has a reasonable expectation that they will receive a grant, or any condition attaching to the grant is outside the control of the charity.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Overhead and support costs relating to the charitable activities have been apportioned based on staff time. The allocation of overhead and support costs is analysed in note 13. Governance costs comprise direct cost for the statutory and governance expenditure of the charity and have also been allocated to charitable activities.

CATHOLIC APOSTOLIC CHURCH TRUST PROPERTY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES (continued)

e) Fixed Assets

Freehold properties are shown at a nominal value. The cost of acquiring these properties has been written off in previous years and is now unknown. All the properties are over one hundred years old and are considered to be fully depreciated. Details of the properties are given in note 18.

f) Investments

Investments are a form of basic financial instrument. They are initially recognised at their transaction value and subsequently valued at their fair value at the balance sheet date using the closing quoted market bid price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year. The charity holds its Cloister flats as an investment property. These flats are let out and are shown at market value.

g) Funds

The charity has a restricted fund: The English Property Fund, which holds land and buildings and the proceeds of land and buildings previously sold as capital, part of which is endowed. The income from which after meeting administration and maintenance costs is restricted for religious and other charitable purposes in connection with the advancement of the Christian religion.

There is also an unrestricted fund: The General Purposes Fund, which holds investments which may be applied to religious and other charitable objects in connection with the advancement of the Christian religion.

h) Realised 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 opening market value (purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (or purchase date if later). Realised and unrealised gains are not separated in the Statement of Financial Activities.

i) Debtors

Debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

j) Cash at bank and in hand

Cash at bank and in hand includes bank accounts, cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

k) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

l) Critical accounting judgements and estimation uncertainty

In preparing these accounts, management has made judgements, estimates and assumptions that affect the application of the charity's accounting policies and the reported assets, liabilities, income and expenditure and the disclosures made in the accounts. The only significant estimation relates to the valuation of the investment property. In the Trustees' opinion there are no indications that the value has changed significantly because rental yields remain consistent.

m) Financial instruments

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

CATHOLIC APOSTOLIC CHURCH TRUST PROPERTY

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

2. TANGIBLE FIXED ASSETS	Churches £	Other £	Total £
Freehold Properties			
As at 31 March 2021	201	300	501
	<u>201</u>	<u>300</u>	<u>501</u>
As at 31 March 2020	201	300	501
	<u>201</u>	<u>300</u>	<u>501</u>
See note 18 for more details.			
3. INVESTMENT PROPERTY			
As at 1 April 2020			8,500,000
Revaluation			2,785,000
			<u>11,285,000</u>
As at 31 March 2021			<u>£11,285,000</u>
The Cloisters, Gordon Square, have been refurbished in prior years and the flats are let. The property was revalued as at March 2021 by Hudsons Estate Management Services, on an open market basis and have been valued at £11,285,000.			
4. INVESTMENTS	Cost £	Market Value £	
As at 1 April 2020	9,531,156	13,836,542	
Gains and losses on disposals and revaluation	-	2,555,993	
	<u>9,531,156</u>	<u>16,392,535</u>	
As at 31 March 2021	<u>£9,531,156</u>	<u>£16,392,535</u>	
The investments are:			
COIF Charities Ethical Investment Fund income units		8,280,009	
COIF Charities Property Fund Income units		1,244,845	
COIF Ethical Fund		6,867,680	
		<u>£16,392,535</u>	
5. DEBTORS	2021 £	2020 £	
Prepayments	112,083	77,914	
	<u>112,083</u>	<u>77,914</u>	
6. CASH AT BANK AND IN HAND			
The balance shown includes deposits of £198,167 (2020: £383,895) with COIF Charities Deposit Fund. Tenants' deposits are held by the managing agent and are not included in these accounts.			
7. CREDITORS	2021 £	2020 £	
Deferred income	23,421	5,351	
Accrued expenses	11,100	11,100	
	<u>£34,521</u>	<u>£16,451</u>	

CATHOLIC APOSTOLIC CHURCH TRUST PROPERTY

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

8. ANALYSIS OF CHARITABLE FUNDS – 2021

	General Purposes Fund (Unrestricted) £	English Property Fund (Restricted) £	Total £
There are two funds as described in the Trustees' report.			
Tangible fixed assets	-	11,285,501	11,285,501
Investments	9,524,855	6,867,680	16,392,535
Current assets	246,993	432,417	679,410
Current liabilities	(11,100)	(23,421)	(34,521)
Total	£9,760,748	£18,562,177	£28,322,925
Represented by:			
Unrestricted/restricted funds:			
Accumulated surpluses	6,009,417	3,526,645	9,536,062
Unrealised investment gains	3,751,331	4,051,964	7,803,295
Capital reserve	-	10,216,938	10,216,938
Endowment fund:			
Capital reserve	-	766,630	766,630
Total	£9,760,748	£18,562,177	£28,322,925

The movements on the above funds were as follows:-

	Capital Reserve £	Unrealised Investment Gains/(losses) £	Accumulated Surpluses £	Total £
At 1 April 2020	10,983,568	2,462,302	9,485,702	22,931,572
Gains on investments	-	5,340,993	-	5,340,993
Net profit	-	-	50,360	50,360
At 31 March 2021	£10,983,568	£7,803,295	£9,536,062	£28,322,925

ANALYSIS OF CHARITABLE FUNDS - 2020

	General Purposes Fund (Unrestricted) £	English Property Fund (Restricted) £	Total £
There are two funds as described in the Trustees' report.			
Tangible fixed assets	-	8,500,501	8,500,501
Investments	8,131,501	5,705,041	13,836,542
Current assets	227,624	383,356	610,980
Current liabilities	(11,100)	(5,351)	(16,451)
Total	£8,348,025	£14,583,547	£22,931,572
Represented by:			
Unrestricted/restricted funds:			
Accumulated surpluses	5,990,048	3,495,654	9,485,702
Unrealised investment gains	2,357,977	104,325	2,462,302
Capital reserve	-	10,216,938	10,216,938
Endowment fund:			
Capital reserve	-	766,630	766,630
Total	£8,345,025	£14,583,547	£25,537,923

CATHOLIC APOSTOLIC CHURCH TRUST PROPERTY

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

The movements on the above funds were as follows:-

	Capital Reserve £	Unrealised Investment Gains/(losses) £	Accumulated Surpluses £	Total £
At 1 April 2019	10,983,568	2,994,056	9,742,535	23,610,159
Gains on investments	-	(421,754)	-	(421,754)
Net profit	-	-	(256,833)	(256,833)
At 31 March 2020	<u>£10,983,568</u>	<u>£2,462,302</u>	<u>£9,485,702</u>	<u>£22,931,572</u>

- a) The General Purposes Fund which is unrestricted is available to be spent for any of the purposes of the charity
b) The English Property Fund holds land, buildings and investments, from the proceeds of land and buildings previously sold, which are restricted assets, part of which is endowed, the income from which is restricted for religious and other charitable purposes in connection with the advancement of the Christian Religion.

9. INVESTMENT INCOME	2021 £	2020 £
Dividends	529,523	534,598
Bank interest	120	1,598
Rents received	255,673	261,458
	<u>£785,316</u>	<u>£797,654</u>
10. OTHER TRADING ACTIVITIES	2021 £	2020 £
Book sales	370	1,048
11. INVESTMENT MANAGEMENT COSTS	2021 £	2020 £
Property management	32,996	30,609
Property repairs and maintenance	152,539	406,021
	<u>£185,535</u>	<u>£436,630</u>

CATHOLIC APOSTOLIC CHURCH TRUST PROPERTY

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

12. CHARITABLE ACTIVITIES - 2021

	Activities undertaken directly					
	Grants	Church	Property	Governance	Support	Total
	£	almanacs and	Costs	costs	Costs	£
		sermons	£	£	£	
Religious	203,250	5,089	-	624	5,284	214,247
Widows and Poor	19,340	-	-	624	2,284	22,248
Albury grant	1,000	-	-	-	-	1,000
Building maintenance	-	-	161,990	11,236	139,079	312,305
	<u>£223,590</u>	<u>£5,089</u>	<u>£161,990</u>	<u>£12,484</u>	<u>£146,647</u>	<u>£549,800</u>

CHARITABLE ACTIVITIES - 2020

	Activities undertaken directly					
	Grants	Church	Property	Governance	Support	Total
	£	almanacs and	Costs	costs	Costs	£
		sermons	£	£	£	
Religious	209,000	9,051	-	785	5,603	224,439
Widows and Poor	36,975	-	-	785	2,603	40,363
Albury grant	1,000	-	-	-	-	1,000
Building maintenance	-	-	219,235	11,236	119,744	353,103
	<u>£246,975</u>	<u>£9,051</u>	<u>£219,235</u>	<u>£15,694</u>	<u>£127,950</u>	<u>£618,905</u>

12A. CHARITABLE ACTIVITIES ANALYSED BY FUND

	General	English	2021	General	English	2020
	Purposes	Property	Total	Purposes	Property	Total
	Fund	Fund	£	Fund	Fund	£
	£	£		£	£	
Religious	179,997	35,250	215,247	179,439	46,000	225,439
Widows and poor	22,248	-	22,248	40,363	-	40,363
Building maintenance	100,645	211,660	312,305	95,376	257,727	353,103
	<u>£302,890</u>	<u>£246,910</u>	<u>£549,800</u>	<u>£346,615</u>	<u>£323,508</u>	<u>£618,905</u>

CATHOLIC APOSTOLIC CHURCH TRUST PROPERTY

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

13. ALLOCATION OF SUPPORT COSTS AND OVERHEADS

The breakdown of support costs and how these are allocated between raising funds and charitable activities is set out below.

Cost type	Basis of apportionment	Raising Funds £	Charitable Activities £	Total £
Salaries	Staff time	-	92,903	92,903
Office costs	Staff time	-	53,744	53,744
		£-	£146,647	£146,647
Comparative figures				
Salaries	Staff time	-	97,372	97,372
Office costs	Staff time	-	30,578	30,578
		£-	£127,950	£127,950

14. GOVERNANCE COSTS

	2021 £	2020 £
Fees paid to the Auditors		
- Audit	6,400	6,400
- Accountancy	4,800	4,700
- Other	1,040	2,936
Other	12,510	14,036
Trustees' travelling expenses (6 Trustees (2020: 6 Trustees))	244	1,659
	£12,484	£15,695

15. STAFF COSTS

	2021 £	2020 £
Wages and salaries	88,445	91,987
Social security costs	4,458	5,385
	£92,903	£ 97,372
Number of employees: (1 administration; 2 caretaking)	3	3

1 employee earned between £60,000 and £70,000 per annum (2020: the same). No remuneration was paid to any trustees. Total remuneration for key management personnel was £69,598 (2020: £69,250). Included in the 2020 salaries figure was an ex-gratia payment of £10,000 to a former employee.

16. GRANTS GIVEN

Grants are paid to a number of Christian denominations and charities for the Clergy and their dependants. Such donations amounted to £203,250 (2020: £209,000) and are included within total grants paid of £223,590 (2020: £246,975) as detailed in note 12 and the Trustees' Report. All grants were paid to institutions.

CATHOLIC APOSTOLIC CHURCH TRUST PROPERTY

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

17. COMMITMENTS

There are no material amounts authorised or contracted for at the year end.

18. FREEHOLD PROPERTIES	Insurance Value £	Book Value 2021 £	Book Value 2020 £	Notes
CHURCHES				
Gordon Square	59,583,047	100	100	a)
Wolverhampton	7,674,449	100	100	b)
OTHER PROPERTIES				
Cooks Place, Albury	3,007,196	100	100	c)
Lyne Cottage, Albury	630,543	100	100	d)
Apostles Chapel, Albury	14,369,479	100	100	e)
OTHER CHURCH				
Paddington Church	33,000,000	1	1	f)
	<u>£118,264,714</u>	<u>£501</u>	<u>£501</u>	

NOTES

- a) This Church is let out on a per occasion basis to Euston Church, a Church plant of the Church of England, specifically for services of worship. A monthly lunchtime organ recital is given by a group of church organists. The separate English Chapel together with a number of vestries and the whole of the crypt meeting room complex, a basement live/work unit and a basement flat are leased to a section of the Church of England on co-terminus five year leases which were renewed for a further five years from 10 March 2017.
- b) Church is let at nominal rent.
- c) Rent is received on these properties.
- d) Occupied by caretaker.
- e) Not currently in use for worship.
- f) Held by local trustees under Declaration of Trust in favour of Head Trustees, previously under lease from Church Commissioners and is still in use by a C.A.C. Congregation.

Insurance values indicate the size of the properties but give no indication of the market value if in fact it was possible to sell the Churches. As indicated in the accounting policies, all Churches are over 100 years old and are considered to be fully depreciated. Other properties are adjacent to the particular church, and if now so available are let, but do not, in the opinion of the Trustees, have a sufficiently material value for inclusion in the Balance Sheet, except for the Cloisters which have been refurbished and the flats let (see note 3).

19. RELATED PARTIES

The charity did not have any related party transaction in either the current or prior year.

CATHOLIC APOSTOLIC CHURCH TRUST PROPERTY

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

20. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2020

	General Purposes Fund (Unrestricted) £	English Property Fund (Restricted) £	Total 2020 £
Income and endowments from:			
Investments	330,733	466,921	797,654
Other trading activities	1,048	-	1,048
Total	331,781	466,921	798,72
Expenditure on:			
<i>Raising funds:</i>			
Investment management costs	-	436,630	436,630
<i>Charitable activities:</i>			
Religious	179,439	46,000	225,439
Widows and poor	40,363	-	40,363
Building maintenance	95,376	257,727	353,103
Total charitable activities	315,178	303,727	618,905
Total	315,178	740,357	1,055,535
Net income and net movement in funds before gains and losses on investments	16,603	(273,436)	(256,833)
Net gains on investments			
- realised and unrealised	(245,840)	(175,914)	(421,754)
Unrealised losses on revaluation of Investment property	-	-	-
NET MOVEMENT IN FUNDS	(229,237)	(449,350)	(678,587)
Reconciliation of funds			
Total funds brought forward	8,627,262	14,982,897	23,610,159
Total funds carried forward	£8,348,025	£14,583,547	£22,931,572