

**THE FRIENDS OF ESSEX CHURCHES TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2021**

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 2021

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THE FRIENDS OF ESSEX CHURCHES TRUST

TRUSTEES (THE EXECUTIVE COMMITTEE)

In office during 2021 or at 21 March 2022

Chairman Mr H.M. Stuchfield, M.B.E., J.P., D.L., F.S.A., F.R.Hist.S.

Vice-Chairman Mrs R.A. Grainger

Hon Secretary Mr J.E.J. Pickthorn

Hon Treasurer Canon H.A. Marsh

Other Trustees Mr J.W. Beale

Dr F.J.A. Bettley, J.P., D.L., M.A., Ph.D., F.S.A.

Mrs G.J. Jones

Mrs C. Leeder

Mrs J. Pimblett

THE FRIENDS OF ESSEX CHURCHES TRUST

OTHER OFFICIALS OF THE ASSOCIATION

YEAR ENDED 31 DECEMBER 2021

Patrons Rt Rev Dr. G. Francis-Dehqani, Bishop of Chelmsford
Mrs Jennifer Tolhurst, H M Lord-Lieutenant of Essex
Rt Rev A. Williams, Bishop of Brentwood

President Rt Rev Thomas McMahon

Holding Trustees Mr J.W. Beale
Mr H.M. Stuchfield
Canon H.A. 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, Essex CM1 1DE

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

Virgin Money, Jubilee House, Gosforth, Newcastle-upon-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 2021

The trustees present their report together with the financial statements for the year ended 31 December 2021 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 2019 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. Half the cost of a roof alarm is funded, up to £2,500 and our Trust adds grants of up to £2,000 to assist with installation costs. No grants were awarded in 2021 (2020 - 1 grant of £2,500).

ACHIEVEMENTS AND PERFORMANCE

The 2021 grant allocations for maintenance and improvements were £114,500 (2020: £147,850). Grants were offered to a total of 13 Churches and ranged in amount from £3,000 to £15,000. Grant cheques of £120,500 (2020 - £165,000) were paid in the year for completed projects. During 2021 the total grant allocations included £15,000 for improvements to 1 church.

FINANCIAL REVIEW

The accounts for the financial year ended 31 December 2021 are set out on 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.

Our total income received increased from £145,657 in 2020 to £294,461. Both figures including the gross receipts from the Ride+Stride event. The increase was largely due to an increase of £127,436 in legacies received. Support expenditure remained low.

During a normal year a number of fundraising events are held at which volunteers provide support. These events, of which a principal one is Ride+Stride, have generated income in 2021 of £40,089. The trustees hope that this level of income will be increased to former levels again after the end of the pandemic. Of the money raised by Ride+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 2021

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. After earlier realisations in previous years £40,000 fresh investment was made in 2020. The performance of this 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. The Constitution was amended on 23 July 1987, 7 May 1991, 11 May 1999, 15 May 2007, 15 May 2014 and most recently on 13 May 2015.

Trustees

The trustees of the Trust both during 2021 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 2021

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 2019.

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 21 March 2022 and signed on their behalf by:

.....
H.A. Marsh

Hon Treasurer

.....
H.M. Stuchfield

Chairman

THE FRIENDS OF ESSEX CHURCHES TRUST
INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES
YEAR ENDED 31 DECEMBER 2021

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2021, 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

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales. 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

.....

THE FRIENDS OF ESSEX CHURCHES TRUST
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 DECEMBER 2021

	Note	Unrestricted 2021 £	Restricted 2021 £	Total Funds 2021 £	Total Funds 2020 £
Income from:					
Grants, donations and subscriptions	2	32,472	-	32,472	27,416
Legacies		213,000	-	213,000	85,564
Fundraising activities	3	40,089	-	40,089	23,994
Investment income	4	8,900	-	8,900	8,683
Total income		294,461	-	294,461	145,657
Expenditure on:					
Fundraising activities	5	16,230	-	16,230	9,974
Charitable activities	6	118,682	-	118,682	153,663
Total expenditure		134,912	-	134,912	163,637
Net gains/ (losses) on investments	8	21,860	-	21,860	(20,504)
Net (expenditure)/income / Net movement in funds		181,409	-	181,409	(38,484)
Reconciliation of funds					
Total funds brought forward		288,323	17,500	305,823	344,307
Total funds carried forward		469,732	17,500	487,232	305,823

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

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 2021

	Note	2021 £	2020 £
FIXED ASSETS			
Investments	8	185,254	163,394
CURRENT ASSETS			
Debtors	9	43	2,630
Cash at bank	10	459,945	303,269
		459,988	305,899
CREDITORS: Amounts falling due within one year	11	158,010	163,470
NET CURRENT ASSETS/ LIABILITIES		301,978	142,429
NET ASSETS		487,232	305,823
FUNDS OF THE CHARITY			
Unrestricted General Fund		469,732	288,323
Restricted Funds	12	17,500	17,500
TOTAL CHARITY FUNDS		487,232	305,823

Approved by the Trustees on and signed on their behalf by:

.....
H A Marsh
Hon Treasurer

.....
H.M. Stuchfield
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 2021

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 2019.

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.

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 a received basis.

Grants Payable

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

Debtors and Creditors

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

THE FRIENDS OF ESSEX CHURCHES TRUST

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

YEAR ENDED 31 DECEMBER 2021

Fund accounting

Unrestricted general funds - these are funds which can be used in accordance with the charitable object at the discretion of the trustees. All funds received in 2021 were unrestricted. In 2020 no restricted grants was received.

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	Restricted	Total Funds	Total Funds
	2021	2021	2021	2020
	£	£	£	£
Donations and subscriptions	29,044	-	29,044	24,545
Gift Aid	3,428	-	3,428	2,871
Grant from Allchurches Trust (restricted)	-	-	-	-
	<u>32,472</u>	<u>-</u>	<u>32,472</u>	<u>27,416</u>

3. Income from Fundraising Activities

	Unrestricted	Restricted	Total Funds	Total Funds
	2021	2021	2021	2020
	£	£	£	£
Ride+Stride - Donations	16,203	-	16,203	12,141
- Gift Aid	786	-	786	885
Other Events - Donations & Charges	23,100	-	23,100	10,968
- Gift aid	-	-	-	-
	<u>40,089</u>	<u>-</u>	<u>40,089</u>	<u>23,994</u>

4. Investment Income

	Unrestricted	Restricted	Total Funds	Total Funds
	2021	2021	2021	2020
	£	£	£	£
Dividends received	8,809	-	8,809	6,930
Interest receivable	91	-	91	1,753
	<u>8,900</u>	<u>-</u>	<u>8,900</u>	<u>8,683</u>

THE FRIENDS OF ESSEX CHURCHES TRUST

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Continued)

YEAR ENDED 31 DECEMBER 2021

5. Expenditure on Fundraising Activities

	Unrestricted 2021 £	Restricted 2021 £	Total Funds 2021 £	Total Funds 2020 £
Ride+Stride - Expenses	50	-	50	50
- Returned to sponsoring Churches	6,542	-	6,542	5,541
Other Event expenses	9,638	-	9,638	4,383
	<u>16,230</u>	<u>-</u>	<u>16,230</u>	<u>9,974</u>

6. Charitable Activities

	Unrestricted 2021 £	Restricted 2021 £	Total Funds 2021 £	Total Funds 2020 £
Maintenance Grants awarded 12 (2020: 17)	99,500	-	99,500	108,850
Improvement Grants awarded 1 (2020: 5)	15,000	-	15,000	39,000
Grants released	-	-	-	(1,000)
Grants for gutter clearance	100	-	100	100
	<u>114,600</u>	<u>-</u>	<u>114,600</u>	<u>146,950</u>
Installation of roof alarm	-	-	-	2,500
Promotion of public interest in churches	1,500	-	1,500	2,149
Governance and support costs (note 7)	2,582	-	2,582	2,064
	<u>118,682</u>	<u>-</u>	<u>118,682</u>	<u>153,663</u>

No grants awarded in 2021 exceeded £15,000 (2020: Nil)

7. Governance and Support Costs

	Unrestricted 2021 £	Restricted 2021 £	Total Funds 2021 £	Total Funds 2020 £
Fees paid to independent examiner:				
Accounts preparation and examination	1,670	-	1,670	1,620
Bookkeeping services	490	-	490	-
Other administration costs	422	-	422	444
	<u>2,582</u>	<u>-</u>	<u>2,582</u>	<u>1,975</u>

8. Investments

	2021 £	2020 £
Market value at 1 January	163,394	143,898
Additional investments	-	40,000
Unrealised gain/(loss) on investments	21,860	(20,504)
Market value at 31 December	<u>185,254</u>	<u>163,394</u>
Historical cost at 31 December	<u>165,768</u>	<u>165,768</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 2021

9. Debtors

	2021 £	2020 £
Gift Aid recoverable	43	2,321
Interest accrued	-	309
	<u>43</u>	<u>2,630</u>

10. Cash At Bank

	2021 £	2020 £
Current		
Barclays - 5 various accounts for each section	289,845	53,269
Deposit		
Barclays - easy access	100	80,000
Virgin Money - easy access	85,000	85,000
Shawbrook - 12 months fixed deposit	85,000	85,000
	<u>459,945</u>	<u>303,269</u>

11. Creditors: amounts falling due within one year

	2021 £	2020 £
Outstanding obligations for grants	155,850	161,850
Accruals	2,160	1,620
	<u>158,010</u>	<u>163,470</u>

12. Restricted Funds

	Balance at 01/01/2021 £	Incoming Resources £	Outgoing Resources £	Balance at 31/12/2021 £
Allchurches Trust	<u>17,500</u>	<u>-</u>	<u>-</u>	<u>17,500</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. No grants were awarded in the year.

THE FRIENDS OF ESSEX CHURCHES TRUST
NOTES FORMING PART OF THE FINANCIAL STATEMENTS (*Continued*)
YEAR ENDED 31 DECEMBER 2021

13. Analysis of Net Assets between Funds

	Investments	Other Net Assets	Total
	£	£	£
Restricted funds	-	17,500	17,500
Unrestricted funds	185,254	284,478	469,732
	<u>185,254</u>	<u>301,978</u>	<u>487,232</u>

14. Trustees Remuneration/ Related Party Transactions

No trustees or connected persons received any remuneration or personal expenses either directly or indirectly (2020: nil).

There were no related party transactions during the financial year (2020: nil).