

THE DIOCESE OF NORWICH CHURCHES TRUST
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

THE DIOCESE OF NORWICH CHURCHES TRUST

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THE DIOCESE OF NORWICH CHURCHES TRUST

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, IT'S TRUSTEE'S AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2018

Trustees

The Ven Steven Betts, Archdeacon of Norfolk
The Ven Karen Hutchinson, Archdeacon of Norwich
The Ven Ian Bentley, Archdeacon of Lynn – Appointed 9th September 2018
Richard M Butler DL, Diocesan Secretary

CIO Registered Number	1163195
Principal office	109 Dereham Road Easton NR9 5ES
Clerk & Treasurer	Richard Butler
Accounts prepared by	Norwich Diocesan Board of Finance Ltd Diocesan House 109 Dereham Road Easton NR9 5ES
Bankers	Barclays Bank PLC 57 London Street Norwich NR2 1HS
Solicitors	Birketts Kingfisher House 1 Gilders Way Norwich NR3 1UB

THE DIOCESE OF NORWICH CHURCHES TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

The trustees present their annual directors' report together with the financial statements of the charity for the year ending 31 December 2018.

The financial statements comply with 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 (FRS 102) (effective 1 January 2015)

Objectives and activities

Overall objectives

The advancement of the Christian Gospel and faith within the Diocese Of Norwich by providing, administering, maintaining, repairing, renewing and replacing churches or ecclesiastical buildings licensed for public worship in accordance with the Christian faith as received by The Church Of England.

Public Benefit

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

The Churches carry out services of worship, marriages, baptisms and funerals which are attended by the general public and enriches local communities by the provision of these services.

Structure, governance and management

Structure

The trust was founded on the 19th August 2015 and is a Charitable Incorporated Organisation.

Meetings

The trustees have met on an ad-hoc basis during the process of establishing the CIO.

Trustees

The trustees are the three Archdeacons' in the Norwich Diocese, along with the Diocesan Secretary/Chief Executive of the Norwich Diocesan Board of Finance Limited.

The trustees receive no remuneration for their work and the charity does not have any salaried employees.

Risk Management

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

Related parties/connected charity

The Norwich Diocesan Board of Finance Limited was incorporated on 28 March 1906 and is a connected charity of the Diocese of Norwich Churches Trust.

Achievement and Performance

Leasing of first group of Churches

On Friday 29th September 2017, the first ten churches were leased to the trust. These were: Bittering Parva, Ss Peter and Paul; Brunstead, St Peter; Calthorpe, Our Lady and St Margaret; Cantley, St Margaret; Ingworth, St Lawrence; Shereford, St Nicholas; South Pickenham, All Saints; Themelthorpe, St Andrew; Weasenham, All Saints; Westwick, St Botolph.

On the 1st June 2018, three further churches were leased to the trust. These were: Bintree; St Swithins, Bessingham; St Mary and Suffield; St Margaret.

Financial Review

Financial Performance

The trust received income of £53,392 in 2018 (2017 - £43,145), of this £43,315 has been received from Parochial Church Councils for whom churches have been leased to the trust. The remaining income relating to collections at services, statutory parochial fees and other donations. The residual balance at year end, along with the grants totalling £42,812 (2017 - £45,122) from the All Churches Trust is being treated as deferred income.

Of the thirteen churches in the trust, three of these no longer have any funds and are been funded from the unrestricted funds. As at the 31st December 2018, deferred unrestricted funds stand at £42,812 (£45,122 in 2017).

Reserves Policy

Where a Church is leased to the trust, any incoming funds are restricted for that specific building. This is also the case where collections are made in Church, a statutory fee is received or any other situation where income would otherwise have been passed to the PCC responsible for the building.

The grant of £47,500 (current balance £42,812) is an unrestricted reserve which is expected to be used towards the running costs of the charity but primarily where the restricted funds aligned to a church are exhausted. This is to ensure that the building is maintained in accordance with the lease.

Due to the commitment of funding a building from unrestricted funds (approximately £1,120 per church) and the timing to obtain additional grant funding, the trustees monitor unrestricted reserves to ensure that they do not fall below £25,000 for a prolonged period.

Fundraising standards information

The Trust does not raise funds from the public via fundraising activities. It may however take collections held at services in the Churches vested within the Trust.

The Trust is not registered with the fundraising regulator. No professional fundraisers or third party commercial participants are used.

No complaint regarding fundraising has been received.

No advertising takes place regarding fundraising.

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustee's 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 income and expenditure 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 Statement of Recommended Practice (SORP);
- make judgments and estimates that are reasonable and prudent;
- State whether applicable UK 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 operation on the same basis from 12 months of the date of this report.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and 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.

This report was approved by the Trustees on 13th June 2019 and signed on their behalf, by:



.....
The Venerable Steven Betts

THE DIOCESE OF NORWICH CHURCHES TRUST

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	Unrestricted funds £	Restricted funds £	Total funds £	2017 Total funds £
Income and endowments from:					
Transfers In	2	-	43,315	43,315	24,158
Donations and collections	2	500	4,286	4,786	2,124
Parochial Fees	2	-	2,132	2,132	-
Grants and Fundraising	2	2,309	850	3,159	16,863
Total Income		2,809	50,583	53,392	43,145
Expenditure on:					
Administration	3	294	28	322	465
Church Running Expenses	3	-	11,582	11,582	6,639
Churchyard	3	-	-	-	512
Building Works	3	-	2,408	2,408	15,878
Other	3	-	1,722	1,722	-
Total Expenditure		294	15,740	16,034	23,494
Net income/(expenditure)		2,515	34,843	37,358	19,651
Transfer between funds	4	(2,515)	2,515	-	-
Net movement in funds		-	37,358	37,358	19,651
Reconciliation of funds:					
Total funds brought forward at 1 January 2018		-	19,651	19,651	-
Total funds carried forward at 31 December 2018		-	57,009	57,009	19,651

The notes on page 7 forms part of these financial statements.

THE DIOCESE OF NORWICH CHURCHES TRUST

**BALANCE SHEET
AS AT 31 DECEMBER 2018**

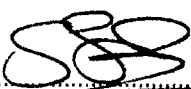
	Note	2018 £	2017 £
Current assets:			
Bank Account		93,089	59,884
Debtors	5	8,003	22,478
Total current assets		<u>101,092</u>	<u>82,362</u>
Liabilities:			
Creditors: Amounts falling due within one year	6	1,271	17,589
Net current assets		<u>99,821</u>	<u>64,773</u>
Creditors - amounts falling due after more than one year	6	42,812	45,122
Total net assets		<u>57,009</u>	<u>19,651</u>
The funds of the charity:			
Unrestricted funds	7	-	-
Restricted funds	7	57,009	19,651
Total charity funds		<u>57,009</u>	<u>19,651</u>

THE DIOCESE OF NORWICH CHURCHES TRUST

CASH FLOW STATEMENT
FOR THE YEAR ENDING 31 DECEMBER 2018

	Note	2018 £	2017 £
Cash flow from operating activities		-	-
Change in cash and cash equivalents in the reporting period		33,205	12,384
Cash and cash equivalents at 1st January 2018		59,884	47,500
Cash and cash equivalents at 31st December 2018		<u>93,089</u>	<u>59,884</u>
Reconciliation of net income to net cash flow from operating activities			
Net income		37,359	19,651
Decrease/(Increase) in debtors		14,473	(22,478)
(Decrease)/Increase in creditors		(18,627)	15,211
Net cash used in operating activities		<u>33,205</u>	<u>12,384</u>
Analysis of cash and cash equivalents			
Cash in hand		<u>93,089</u>	<u>59,884</u>

The financial statements were approved by the Trustee on 13 June 2019 and signed on their behalf by:


.....
Chairman

THE DIOCESE OF NORWICH CHURCHES TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

1. Accounting Policies

1.1. Basis of preparation of financial statements

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) 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) 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. The Trust constitutes a public benefit entity as defined by FRS 102.

1.2. Incoming resources

All incoming resources are included in the statement of financial activities on an accruals basis.

1.3. Resources expended

All expenditure is accounted for on an accruals basis.

2. Income from

	Unrestricted funds	Restricted funds	Total funds 2018	Total funds 2017
	£	£	£	£
Transfers In	-	43,315	43,315	24,159
Donations	500	1,038	1,538	921
Fundraising	-	95	95	-
Collections	-	3,248	3,248	1,202
Parochial Fees	-	2,132	2,132	-
Grants	2,309	755	3,064	16,863
	2,809	50,583	53,392	43,145

3. Expenditure by Charitable Activity

	Unrestricted funds	Restricted funds	Total funds 2018	Total funds 2017
	£	£	£	£
Bank Charges	78	-	78	9
Churchyard	-	-	-	512
Cleaning	-	-	-	2,519
Inspection	-	1,845	1,845	718
Insurance	196	7,764	7,960	1,777
Smart Water	-	103	103	1,148
Misc	20	28	48	6
Utilities	-	1,240	1,240	526
Legal Fees	-	-	-	400
Parish Share	-	1,722	1,722	-
Repairs	-	1,421	1,421	-
Alarm	-	630	630	-
Capital Works	-	987	987	15,878
	294	15,740	16,034	23,494

4. Analysis of Transfer Between Funds

	Deferred Income	Unrestricted funds	Restricted funds	Total funds 2018
Transfer from Deferred Income	(2,515)	2,515	-	-
	(2,515)	2,515	-	-

The transfer from deferred income was made to match both the surplus of general expenditure, being £206 and the transfer to cover the deficit of expenditure incurred where restricted funds received from the parishes had been

exhausted which for 2018 was £2,515 (2017: £2,263).

5. Debtors

Due within one year	2018	2017
Prepayments and accrued income	6,803	4,962
Grants and fundraising	235	13,485
Donations and Collections	588	856
Parochial Fees	377	-
Transfer from PCC	-	3,175
	<u>8,003</u>	<u>22,478</u>

This comprises of insurance paid for the period 1st January 2019 to 28th September 2019 (£6,803), along with collections of £588, fundraising of £93, grants totalling £2,451 (including £141 as grants received and £2,310 transferred from the deferred grants) as well as a statutory fee of £377 which was paid into the bank in 2019

6. Creditors

Creditors - amounts falling due within one year	2018	2017
Capital Works	-	15,878
Other creditors	<u>1,271</u>	<u>1,711</u>
	<u>1,271</u>	<u>17,589</u>
Creditors - amounts falling due after more than one year	2018	2017
Deferred income	<u>42,812</u>	<u>45,122</u>
	<u>42,812</u>	<u>45,122</u>

The amounts falling due within one year comprises of £671 which relates to utilities billed in 2019 for 2018 usage (£164), £360 for repairs and £147 for other expenses and £600 in relation to statutory fees due to the Diocesan Board of Finance Ltd. The amounts falling due after more than one year includes £42,812 which relates to deferred grant income held from the All Churches Trust to be released to match future expenditure.

Trustee Remuneration

- During the year, no Trustees received any remuneration (2017: nil)
- During the year, no Trustees received any benefits in kind (2017: nil)
- During the year, no Trustees received any reimbursement of expenses (2017: nil)

THE DIOCESE OF NORWICH CHURCHES TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

6. Statement of Funds

	Balance at 1st January 2018 £	Incoming Resources £	Resources Expended £	Transfer between funds £	Balance at 31st December 2018 £
Unrestricted Funds					
General Fund	-	2,809	294	(2,515)	-
Restricted Funds					
Cantley, St Margaret	1,656	702	1,259	-	1,099
Brunstead	4,607	492	599	-	4,500
St Peter and Paul, Bittering Parva	1,889	665	1,363	-	1,191
St Margaret, Calthorpe	-	214	1,283	1,069	-
St Lawrence, Ingworth	-	337	935	598	-
St Nicholas, Shereford	2,119	1,685	1,208	-	2,597
All Saints, South Pickenham	1,900	516	1,236	-	1,180
St Andrew's, Themelthorpe	885	400	818	-	468
All Saints, Weasenham	-	199	1,047	848	-
St Botolph's, Westwick	6,595	888	1,442	-	6,042
Bessingham	-	39,731	2,277	-	37,454
Bintree	-	3,150	1,481	-	1,669
Suffield	-	1,603	792	-	811
Total Restricted Funds	19,651	50,583	15,740	2,515	57,009
Total of Funds	19,651	53,392	16,034	-	57,009

7. Summary of Funds

	Brought Forward	Incoming Resources	Resources Expended	Transfer between funds	Carried Forward
General Funds	-	2,809	294	(2,515)	-
Restricted Funds	19,651	50,583	15,740	2,515	57,009
	19,651	53,392	16,034	-	57,009

8. Analysis of Net Assets Between Funds

	Unrestricted funds 2018 £	Restricted Funds 2018 £	Total Funds 2018 £	Total Funds 2017 £
Current assets	42,812	50,277	93,089	59,884
	42,812	50,277	93,089	59,884

9. Related Party Transaction

£600 in statutory fees is due from the Trust by Norwich Diocesan Board of Finance Limited during 2018, this balance is outstanding at the year end.



CHARITY COMMISSION
FOR ENGLAND AND WALES

Independent examiner's report on the accounts

Section A

Independent Examiner's Report

Report to the trustees/
members of

Charity Name
Diocese of Norwich Churches Trust

On accounts for the year
ended

31st December 2018

Charity no
(if any)

Set out on pages

1-10

Remember to include the page numbers of schedules (if any)

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended 31st December 2018.

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 Trust'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

[The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of [insert name of applicable listed body]]. Delete [] if not applicable.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination (~~other than that disclosed below~~ *) which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did 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.

* Please delete the words in the brackets if they do not apply.

Signed:

Date:

7/06/19

Name:

Geoffrey E Freeman

Relevant professional
qualification(s) or body

C.I.Y.B.C. Auditors & Accountants

(if any):

Address:

2. WATER MEADOW CLOW

ORMEBY ST MARGARET

Great Yarmouth NORFOLK NR29 3NF

Section B

Disclosure

Only complete if the examiner needs to highlight material matters of concern (see CC32, Independent examination of charity accounts: directions and guidance for examiners).

Give here brief details of any items that the examiner wishes to disclose.