

NORTHUMBRIA HISTORIC CHURCHES TRUST

ANNUAL REPORT AND FINANCIAL STATEMENTS
For the year ended 31 January 2019

Charity Number 511314

NORTHUMBRIA HISTORIC CHURCHES TRUST

Trustees Annual Report

For year ended 31 January 2019

The Trustees are pleased to present their annual report together with the financial statements of the charity for the year ended 31 January 2019.

The financial statements comply with the Charities Act 2011, the Memorandum and Articles of Association, 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

Policies and objectives

In setting objectives and planning for objectives the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit.

The objectives of the Trust are to apply its income and capital for the preservation, repair, maintenance, improvement, upkeep, beautification and reconstruction of churches in Northumbria and of monuments, fittings, fixtures, stained glass, furniture, ornaments and chattels in such churches and of the graveyard belonging to any of such churches so as to maintain them for the benefit and enjoyment of future generations.

Agreed priorities of funding dictate that offers are normally restricted to churches with urgent structural repair needs and which can also demonstrate financial need. All the decisions on grant offers are made by a full meeting of Trustees, in accordance with grant making policies. These are publicly available, through the Trust's website or by contact with the Secretary or any of the Trustees. The Trust raises awareness of its activities amongst potential recipients through its website, occasional press releases, attendance at history fairs and contacts with ministers and church officers.

In furtherance of its objectives the Trust liaises with the National Churches Trust and other county historic churches trusts, to exchange and promote best practice, but is independent of those other bodies.

Main activities undertaken to further the charity's purposes for public benefit

In addition to the core activities of the Trust: a refreshed website, updates and news spread via the church publications, celebration of works completed following grants made, working in partnership with like-minded organisations and trustee advocacy are now routine.

Volunteers

Those Trustees who are office holders carry out their duties on a purely voluntary basis.

Achievements and performance

Review of activities

We continue to make grant offers in the range £1000 to £5000 to some 15 churches per annum. We are most grateful to all those who donate to us to enable this to continue. The Sir James Knott Trust remains our most consistent and generous financial supporter. We are blessed with a wide skill set amongst our trustees, although during the year we said farewell

NORTHUMBRIA HISTORIC CHURCHES TRUST

Trustees Annual Report

For year ended 31 January 2019

to our longest standing trustee and Deputy Chair Roger Norris. Dr Margaret Stewart has stepped up into the Deputy Chair role.

Financial review

Going concern

After making appropriate enquiries, the trustees have reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

Reserves policy

Given a recent legacy and known grant funding for the next two years we aim to make grant offers on £50k per annum. Of course actual grant expenditure depends on the timing of churches taking up the offer. This plan means that we shall have a going concern for the next strategic review in 2020/21

Reference and administrative details

Charity number	511314
Operational address	Coach House, Heddon House Lane, Heddon on the Wall, Northumberland, NE15 0JR.

Our advisors

Independent Examiner	Michelle Wright Ellison Services Higham House Higham, Place Newcastle upon Tyne NE1 8AF
Bankers	Barclays Bank Hexham Northumberland COIF Charity Funds 80 Cheapside London EC2V 6DZ

NORTHUMBRIA HISTORIC CHURCHES TRUST

Trustees Annual Report

For year ended 31 January 2019

Trustees

The trustees and officers serving during the year and since the year end were as follows:

<u>Trustees</u>	Lt Gen Robin Brims CB CBE DSO DL	Chair
	Roger Norris	Resigned 01 Apr 18
	Peter Ryder	
	The Rev Canon Robert McTeer	
	Dr Margaret Stewart	Deputy Chair
	David Jowett	
	Anne Heyward	
	Laurie McLeman	
	Joanna Pullan (appointed 1/10/2017)	

Structure, governance and management

The patron of the Trust is the Duke of Northumberland

The Trust has three presidents

The Bishop of Durham

The Bishop of Newcastle

The Bishop of Hexham and Newcastle

The Vice presidents are:

The Rt Hon The Lord Beith

Mrs Sue Snowdon

Lord Lieutenant of Durham

The Duchess of Northumberland

Lord Lieutenant of Northumberland

Mrs Susan Winfield OBE

Lord Lieutenant of Tyne and Wear

The Lord Vinson LVO DL

Other officer holders are as follows:

Financial Administrator

Mr A Rivers

Risk management

The Trustees have conducted a review of the major risks to which the charity is exposed and systems have been established to mitigate those risks including the implementation of procedures for authorisation of all transactions and projects and for ensuring the consistent quality of the delivery of all operational aspects of the charity. These procedures are periodically reviewed to ensure that they still meet the needs of the charity.

Statement of Trustee Responsibilities

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

NORTHUMBRIA HISTORIC CHURCHES TRUST

Trustees Annual Report

For year ended 31 January 2019

The charity trustees are required to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and of incoming resources and application of resources. In preparing financial statements, the trustees are required to:

- select suitable accounting policies and 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 operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity. 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 and signed on their behalf by:

Lt Gen Robin Brims CB CBE DSO DL (Chair)

NORTHUMBRIA HISTORIC CHURCHES TRUST

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

For the year ended 31 January 2019

I report on the financial statements of Northumbria Historic Churches Trust for the year ended 31 January 2019, which are set out on pages 6 to 16.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act), and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no material matters have come to my attention 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 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.

Michelle Wright
Ellison Services Limited
Higham House
Higham Place
Newcastle upon Tyne
NE1 8AF
Date:

NORTHUMBRIA HISTORIC CHURCHES TRUST

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 January 2019

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
<u>Income from:</u>					
Donations and legacies	6	22,740	-	22,740	97,684
Investments	7	2,784	-	2,784	2,158
Total income		25,524	-	25,524	99,842
<u>Expenditure on:</u>					
Charitable activities					
Operation of the charity	8	51,441	-	51,441	19,485
Total expenditure		51,441	-	51,441	19,485
Net income/(expenditure) before investment gains/(losses)		(25,918)	-	(25,918)	80,357
Net gains/(losses) on investments		(13,108)	-	(13,108)	(263)
Net movement of funds		(39,025)	-	(39,025)	80,094
<u>Reconciliation of funds</u>					
Total funds brought forward		289,418	-	289,418	209,324
Total funds carried forward		250,393	-	250,393	289,418

The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities

The notes on pages 8 to 16 form an integral part of these accounts.

BALANCE SHEET

As at 31 January 2019

	Notes	£	Total 2019 £	£	Total 2018 £
<u>Fixed assets</u>					
Investments	14		35,980		49,088
<i>Total fixed assets</i>			35,980		49,088
<u>Current assets</u>					
Debtors	15	415		450	
Cash at bank and in hand	16	267,568		300,980	
<i>Total current assets</i>		267,983		301,430	
Creditors: amounts falling due within one year	17	(53,570)		(61,100)	
<i>Net current assets</i>			214,413		240,330
<i>Total assets less current liabilities</i>			250,393		289,418
<i>Total net assets or liabilities</i>			250,393		289,418
<u>Funds of the charity</u>					
Unrestricted income funds			250,393		289,418
Restricted income funds			-		-
<i>Total funds</i>			250,393		289,418

The notes on pages 8 to 16 form an integral part of these accounts.

These financial statements were approved by the Board on:

and are signed on its behalf by:

Lt Gen Robin Brims CB CBE DSO DL
Chair

NORTHUMBRIA HISTORIC CHURCHES TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 January 2019

1 Accounting Policies

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

2 Basis of accounting

2.1 Basis of preparation

These accounts 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 accounts 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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Northumbria Historic Churches Trust meets the definition of a public benefit entity under FRS 102.

2.2 Preparation of the accounts on a going concern basis

The charity reported total unrestricted funds at the year end of £250,393 and has already secured a significant amount of funding for the current year. The trustees are of the view that the immediate future of the charity for the next 12 to 18 months is secure and that on this basis the charity is a going concern.

3 Income

3.1 Recognition of income

Income is recognised when the charity has entitlement to the resources, any performance conditions attached to the item(s) of income have been met, it is more likely than not that the resources will be received and the monetary value can be measured with sufficient reliability

3.2 Offsetting

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by FRS102 SORP or FRS102.

3.3 Grants and donations

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria of income recognition are met.

NORTHUMBRIA HISTORIC CHURCHES TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 January 2019

3.4 Donated goods and services

Donated goods are measured at fair value (the amount for which the asset could be exchanged) unless impractical to do so.

Donated services and facilities are included in the SoFA when received at the value of the gift to the charity provided that the value of the gift can be measured reliably. Donated services and facilities that are consumed immediately are recognised as income with the equivalent amount recognised as an expense under the appropriate heading in the SoFA.

3.5 Volunteer help

The value of volunteer help received is not included in the accounts but is described in the trustees' annual report.

3.6 Interest receivable

Interest on funds held on deposit is included when 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.

3.7 Income from membership subscriptions

Membership subscriptions received in the nature of a gift are recognised in donations and legacies.

Membership subscriptions which gives a member the right to buy services or other benefits are recognised as income earned from the provision of goods and services as income from charitable activities.

3.8 Investment gains and losses

This includes any realised or unrealised gains or losses on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

3.9 Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the

4 Expenditure and liabilities

4.1 Liability recognition

Liabilities are recognised when it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

4.2 Charitable activities

Expenditure on charitable activities includes the costs of administering grants for the preservation of churches and other activities undertaken to further the purposes of the charity and their associated support costs.

NORTHUMBRIA HISTORIC CHURCHES TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 January 2019

4.3 Governance and support costs

Support costs have been allocated between governance cost and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

4.4 Irrecoverable VAT

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

4.5 Creditors

The charity has creditors which are measured at settlement amounts less any trade discounts.

4.6 Provisions for liabilities

A liability is measured on recognition at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date.

5 Assets

5.1 Tangible fixed assets for use by the charity

Individual fixed assets costing £1,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis, the charity does not currently have any tangible fixed

Office and computer equipment	Straight line over four years
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The charity currently has no tangible fixed assets.

5.2 Investments

Fixed asset investments in quoted shares, traded bonds and similar investments are valued at initially at cost and subsequently at fair value (their market value) at the year end. The same treatment is applied to unlisted investments unless fair value cannot be measured reliably in which case it is measured at cost less impairment.

Investments held for resale or pending their sale and cash and cash equivalents with a maturity date of less than 1 year are treated as current asset investments.

NORTHUMBRIA HISTORIC CHURCHES TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 January 2019

Analysis of income

	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
6 Donations and legacies				
Donations from Charitable Trusts	20,250	-	20,250	20,250
Other donations including Gift Aid	2,244	-	2,244	3,681
Legacies	245	-	245	73,753
	<u>22,740</u>	<u>-</u>	<u>22,740</u>	<u>97,684</u>

It is Trust policy to publish details of individual cash donations and contributions of £500 and over in the current year, unless the donor wishes to be anonymous, included in the table above are the following donations and legacies

	Total 2019 £
The Sir James Knott Trust	<u>20,000</u>

	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
7 Income from investments				
Income from COIF fixed interest rate fund	2,784	-	2,784	2,158
	<u>2,784</u>	<u>-</u>	<u>2,784</u>	<u>2,158</u>

Income was £25,524 (2018: £99,842) of which £25,524 was unrestricted or designated (2018: £99,842) and £0 was restricted (2018: £0)

NORTHUMBRIA HISTORIC CHURCHES TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 January 2019

Analysis of expenditure on charitable activities

8 <i>Charitable activities</i>	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
<u>Grants offered to churches</u>				
Allendale St Cuthberts	1,470	-	1,470	-
Alnham St Michael All Angels	-	-	-	3,000
Barnard Castle Methodist	5,000	-	5,000	-
Benwell St James	3,000	-	3,000	-
Birtley St Giles	-	-	-	1,000
Blaydon Methodist	-	-	-	5,000
Brandon St John's	650	-	650	-
Burnmoor St Barnabas	1,000	-	1,000	-
Collierley St Thomas	5,000	-	5,000	-
Cornhill St Helen's	-	-	-	2,000
Edmundbyers St Edmunds	765	-	765	-
Felton St Michael All Angels	-	-	-	2,500
Garrigil St John's	1,000	-	1,000	-
Haydon Old Church	3,000	-	3,000	-
Hexham St Marys	-	-	-	5,000
Holywell St Peters	5,000	-	5,000	-
Mickley St George	3,000	-	3,000	-
Middleton Methodist	-	-	-	5,000
Middleton St Mary	-	-	-	5,000
Murton Holy Trinity	4,000	-	4,000	-
Newcastle St Thomas	-	-	-	3,000
Our Lady of Mercy St Godric	5,000	-	5,000	-
Ryton Holy Cross	-	-	-	3,000
Stella St Mary & Thomas	5,000	-	5,000	-
Stockton St Mary's	1,000	-	1,000	-
Sunderland Minister	-	-	-	5,000
Whitfield Holy Trinity	-	-	-	4,000
Winston St Andrews	3,000	-	3,000	-
<u>Grant offers withdrawn during year</u>				
Barnard Castle United Reformed Church	-	-	-	(5,000)
Chevington St John The Divine	-	-	-	(2,000)
Elsdon St Cuthbert	-	-	-	(3,000)
Heaton Methodist Church	-	-	-	(3,000)
Longhoughton St Peter & St Paul	-	-	-	(3,000)
North Shields Christ Church	-	-	-	(1,000)
Penshaw All Saints	-	-	-	(500)
Redmarshall St Cuthbert	-	-	-	(5,000)
Seaton Carew Holy Trinity	-	-	-	(5,000)
	<u>46,885</u>	<u>-</u>	<u>46,885</u>	<u>16,000</u>

NORTHUMBRIA HISTORIC CHURCHES TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 January 2019

8 <i>Charitable activities continued</i>	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
Brought forward	46,885	-	46,885	16,000
<u>Support Costs</u>				
Insurance	399	-	399	390
Website	168	-	168	120
General administration expenses	150	-	150	459
Financial administrator's and secretary's fees	3,240	-	3,240	2,186
<u>Governance costs</u>				
Independent examiner's fees for reporting on the accounts	600	-	600	600
Reduction of accrued examiners fees from previous year	-	-	-	(270)
	<u>51,441</u>	<u>-</u>	<u>51,441</u>	<u>19,485</u>

Expenditure on charitable activities was £51,441 (2018: £19,485) of which £51,441 was unrestricted or designated (2018: £19,485) and £0 was restricted (2018: £0)

9 <i>Grant offers outstanding at the year end</i>	2019 £	2018 £
Allendale St Cuthberts	1,470	-
Alnham St Michael All Angels	3,000	3,000
Auckland St Helens	-	5,000
Barnard Castle Methodist	5,000	-
Benfieldside St Cuthbert's	-	2,000
Blaydon Methodist	-	5,000
Burnmoor St Barnabas	1,000	-
Collierley St Thomas	5,000	-
Cornhill St Helen's	2,000	2,000
Craster St Peter	-	3,000
Darlington Northgate URC	5,000	5,000
Felton St Michael All Angels	2,500	2,500
Haydon Old Church	3,000	-
Holywell St Peters	5,000	-
Kirkharle St Wilfred	-	1,000
Low Middleton St George's	2,000	2,000
Mickley St George	3,000	-
Middleton Methodist	-	5,000
Middleton St Mary	-	5,000
Newcastle St Thomas	3,000	3,000
Our Lady of Mercy St Godric	5,000	-
Roker Park Sunderland St Andrew	-	4,000
Seaham St Andrew's	4,000	4,000
Sunderland Minister	-	5,000
Whitfield Holy Trinity	-	4,000
Winston St Andrews	3,000	-
	<u>52,970</u>	<u>60,500</u>

NORTHUMBRIA HISTORIC CHURCHES TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 January 2019

10 Fees for examination of the accounts

	2019 £	2018 £
Independent examiner's fees for reporting on the accounts	600	600
	600	600

There were no other fees paid to the examiner (2018: £nil)

11 Analysis of staff costs and the cost of key management personnel

The key management personnel of the charity, comprise the trustees, the charity does not currently employ any staff.

12 Transactions with trustees

None of the trustees have been paid any remuneration or received any other benefits from an employment with their charity or a related entity.

Trustees' expenses

No trustee expenses have been incurred in the year.

Transaction(s) with related parties

There have been no related party transactions in the reporting period.

13 Corporation Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives.

14 Fixed asset investments

	Other Investments £	
Carrying (fair) value at the beginning of period	49,088	
Net (loss)/gain on revaluation	(13,108)	
Carrying (fair) value at end of year	35,980	
Investments at market value comprise	2019 £	2018 £
COIF fixed interest fund	35,980	49,088
	35,980	49,088

All the fixed asset investments are held in the uk

NORTHUMBRIA HISTORIC CHURCHES TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 January 2019

15 Debtors and prepayments (receivable within 1 year)

	2019 £	2018 £
Other debtors	415	450
	415	450

16 Cash at bank and in hand

	2019 £	2018 £
Fixed interest fund	236,253	233,469
Cash at bank	31,314	67,511
	267,568	300,980

17 Creditors and accruals (payable within 1 year)

	2019 £	2018 £
Grant offers outstanding	52,970	60,500
Accruals		
Independent examination of accounts	600	600
	53,570	61,100

18 Events after the end of the reporting period

No events (not requiring adjustment to the accounts) have occurred after the end of the reporting period but before the accounts are authorised which relate to conditions that arose after the end of the reporting period.

NORTHUMBRIA HISTORIC CHURCHES TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 January 2019

19 Analysis of charitable funds

	Fund balances brought forward £	Income resource £	Resources expended £	Transfers £	Gains / (losses) £	Fund balances carried forward £
Unrestricted funds						
General funds	289,418	25,524	(51,441)	-	(13,108)	250,393
	<u>289,418</u>	<u>25,524</u>	<u>(51,441)</u>	<u>-</u>	<u>(13,108)</u>	<u>250,393</u>

Purpose of unrestricted funds

General unrestricted fund The 'free reserves' of the charity

20 Capital commitments

As at 31 January 2019, the charity had £52,970 capital commitments (2018: £60,500)

21 Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total 2019 £
Investments	35,980	-	35,980
Cash at bank and in hand	267,568	-	267,568
Other net current assets/(liabilities)	(53,155)	-	(53,155)
	<u>250,393</u>	<u>-</u>	<u>250,393</u>