

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

FINANCIAL STATEMENTS

31 MARCH 2023

Registered Charity Number: 245250

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

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CATHOLIC APOSTOLIC CHURCH TRUST PROPERTY

TRUSTEES REPORT

FOR THE YEAR ENDED 31 MARCH 2023

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

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 2023

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. During the year the Trustees have maintained an active dialogue with the Trustees of the associated charity. The main topic has been the condition of the Paddington Church building and funding its necessary repairs. Both Trusts have also jointly consulted legal advisors concerning the relationship between the Trusts, specific responsibilities for the Paddington Church building, and possible funding routes to the building repairs.

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 2023

2. 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	65,000
Forward in Faith Chaplaincy support	24,000
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	20,000
Paddington Church Trustees	84,000
	<hr/>
	268,000
Various small grants	10,685
	<hr/>
	<u>278,685</u>

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.

No grants were made during this year from this Fund.

CATHOLIC APOSTOLIC CHURCH TRUST PROPERTY

TRUSTEES REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2023

2. 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. These were under the supervision, where appropriate, of the Trustees' appointed Architect for the building, Nye Saunders Ltd. The overheating of the incoming electric main required its replacement by the Electricity Board but resulted in no injuries to residents and no damage to the building. The lift also needed significant repair work to its operating mechanism.

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

Central Church (commonly known as Christ the King)

The English Chapel is currently leased to Forward in Faith, part of the Church of England. Forward in Faith employ 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.

The main Church building together with meeting rooms and basement office accommodation is licenced to Euston Church an evangelical outreach of the Church of England. Morning and evening services are held every Sunday as well as weekday services and Bible study meetings.

The main Church is normally also used for monthly public organ recitals, for which no admission charge is made.

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 South Africa. The heating boilers were replaced during the year.

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. 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 2023

2. 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.

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.

3. ACHIEVEMENTS AND PERFORMANCE

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.

CATHOLIC APOSTOLIC CHURCH TRUST PROPERTY

TRUSTEES REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2023

4. RISK REVIEW

The Trustees undertake regular risk management activities, identifying and assessing the risks that could have a significant impact on the conduct, reputation and operation of the Trust. The risks are monitored and reviewed on a regular basis and discussed, at least annually, at the Trustees' Quarterly meetings. The risks are documented in the Trust's Risk Register, with each risk being assigned a Probability and Impact score that are used to gauge the significance and priority of the risks, helping with the development of mitigations and response strategies should the risks materialise. The table below is an extract from the Trust's Risk Register showing the most important risks indicated by the Trustees' risk assessment.

Risk Description	Mitigation	Risk Response	Actionee
Trust fails to meet regulatory or legal obligations leading to litigation, fines, damage to assets or reputation.	Use of professional legal advisors. Trustees and Secretary to regularly monitor compliance with, and review, Charity Commission rules and guidance. Maintenance of Trust policy and procedures.	Undertake remedial action drawing on Legal Advice and assistance. Amend Trust policy and procedures.	Secretary and Trustees
External economic downturn reduces income and increases costs causing the Trust financial difficulties.	Use of professional Advisors and Managers to guide to optimise income and outgoings. Maintain adequate reserves.	Set level of Grants, and schedule building maintenance, commensurate with available funds.	Secretary
Buildings and their users targeted and attacked by terrorists, causing injury or damage.	Include appropriate terrorism cover in Trust's insurance policies.	Claim on insurance.	Secretary
Outbreak of war or pandemic, etc.	Ensure systems and procedures are adequately robust and able to continue operation.	Operate Trust remotely. Maintain activities to the extent possible.	Secretary and Trustees
Investment income falls significantly.	Use of Financial Advisors to guide investment strategy to optimise returns in the short and long term. Quarterly review by Trustees. Maintain adequate reserves.	Set level of Grants, and schedule building maintenance, commensurate with available funds.	Secretary
Rent income from Cloisters flats fall significantly.	Use professional Property Management and Lettings Agents. Quarterly review by Trustees. Maintain adequate reserves.	Set level of Grants, and schedule building maintenance, commensurate with available funds.	Secretary
Paddington Church building structural faults too expensive for Paddington Church Trust to remedy.	Maintain regular liaison with Paddington Trustees, and plan for future action.	Use of capital reserves.	Secretary and Trustees
Paddington Church Trust ceases to use and maintain the building.	Maintain regular liaison with Paddington Trustees, and plan for future action.	Add Paddington Church to buildings inventory and treat as other Trust assets.	Secretary and Trustees
Occurrence of fire, flood, damage, IT failure or cyber-crime adversely affects the operation of the Trust.	Trust procedures maintained and duplicated in paper form. Electronic systems regularly maintained, protected and backed up, with physical separation of sensitive data from external access.	Reconstitute operations from duplicates and backups.	Secretary

CATHOLIC APOSTOLIC CHURCH TRUST PROPERTY

TRUSTEES REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2023

5. FINANCIAL REVIEW AND RESERVES POLICY

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 £810,856, a decrease of £18,519 from the previous year. Total income amounted to £811,053 (2022: £830,534). Investment management costs increased by £52,117 to £198,260 and investments recorded losses of £1,046,160. Expenditure increased from £685,698 to £932,703 in the year.

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 decreased to £9,922,210 and restricted funds decreased to £14,850,938. In addition endowment funds fell to £3,995,106.

The trustees consider reserves held to be adequate and in line with the target level.

6. 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.

7. TRUSTEES' RESPONSIBILITIES STATEMENT

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 **14 June 2023** 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 2023 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 2023 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.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 7, 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.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF

CATHOLIC APOSTOLIC CHURCH TRUST PROPERTY (continued)

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 charity law, 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 at the year-end or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Haysmacintyre LLP
Statutory Auditors

Date: 3 July 2023

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 2023


	Notes	£	2023	£	2022	£
FIXED ASSETS						
Tangible assets -						
Freehold Property – charitable use	2			501		501
Investment property	3	11,285,000			11,285,000	
Investments	4	16,814,678			17,860,838	
				<u>28,099,678</u>		<u>29,145,838</u>
				<u>28,100,179</u>		<u>29,146,339</u>
CURRENT ASSETS						
Amounts due within one year:						
Debtors	5	86,335			111,645	
Cash at bank and in hand	6	620,941			716,983	
				<u>707,276</u>	<u>828,628</u>	
CREDITORS: amounts due within one year	7	(39,201)			(38,903)	
NET CURRENT ASSETS				<u>668,075</u>		<u>789,725</u>
				<u>£28,768,254</u>		<u>£29,936,064</u>
FUNDS (as restated)						
General Purposes Fund (unrestricted)				9,922,210		10,663,490
English Property Fund (endowment)				3,995,106		4,139,776
English Property Fund (restricted)				14,850,938		15,132,798
	8			<u>£28,768,254</u>		<u>£29,936,064</u>

The financial statements were approved and authorised for issue by the Board of the Trustees on 14 June 2023 and were signed below on its behalf by:

Trustee



Trustee



CATHOLIC APOSTOLIC CHURCH TRUST PROPERTY

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	General Purposes Fund (Unrestricted) £	English Property Fund (Restricted) £	English Property Fund (Endowment) £	Total 2023 £	Total 2022 £
Income and endowments from:						
Investments	9	334,550	476,306	-	810,856	829,375
Other trading activities	10	197	-	-	197	1,159
Total		<u>334,747</u>	<u>476,306</u>	<u>-</u>	<u>811,053</u>	<u>830,534</u>
Expenditure on:						
<i>Raising funds:</i>						
Investment management costs	11	-	198,260	-	198,260	146,143
<i>Charitable activities:</i>						
Religious		193,015	-	-	193,015	186,393
Widows and poor		97,401	-	-	97,401	14,765
Building maintenance		110,853	333,174	-	444,027	338,397
Total charitable activities	12	<u>401,269</u>	<u>333,174</u>	<u>-</u>	<u>734,443</u>	<u>539,555</u>
Total		<u>401,269</u>	<u>531,434</u>	<u>-</u>	<u>932,703</u>	<u>685,698</u>
Net (expenditure)/income before (losses)/gains on investments		(66,522)	(55,128)	-	(121,650)	144,836
Net (losses)/gains on investments - realised and unrealised	4	<u>(674,758)</u>	<u>(226,732)</u>	<u>(144,670)</u>	<u>(1,046,160)</u>	<u>1,468,303</u>
NET MOVEMENT IN FUNDS		<u>(741,280)</u>	<u>(281,860)</u>	<u>(144,670)</u>	<u>(1,167,810)</u>	<u>1,613,139</u>
Reconciliation of funds						
Total funds brought forward		<u>10,663,490</u>	<u>15,132,798</u>	<u>4,139,776</u>	<u>29,936,064</u>	<u>28,322,925</u>
Total funds carried forward	8	<u>£9,922,210</u>	<u>£14,850,938</u>	<u>£3,995,106</u>	<u>£28,768,254</u>	<u>£29,936,064</u>

All income and expenditure 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 2022 is shown in note 19 to these financial statements.

CATHOLIC APOSTOLIC CHURCH TRUST PROPERTY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	2023 £	2022 £
Cash flows from operating activities:		
Net cash used in operating activities (see below)	(906,898)	(679,719)
Cash flows from investing activities		
Dividends, interest and rents from investments	810,856	829,375
Net cash provided by investing activities	810,856	829,375
Change in cash and cash equivalents in the year	(96,042)	149,656
Cash and cash equivalents at the start of the year	716,983	567,327
Cash and cash equivalents at the end of the year	£620,941	£716,983

RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

Net movement in funds (as per the Statement of Financial Activities)	(1,167,810)	1,613,139
Adjustments for:		
Losses/(gains) on investments	1,046,160	(1,468,303)
Dividends, interest and rent from investments	(810,856)	(829,375)
Decrease in debtors	25,310	438
Increase in creditors	298	4,382
Net cash (used in) operating activities	(£906,898)	(£679,719)

Analysis of changes in net funds

	At 1 April 2022 £	Cash flows £	Other non-cash changes £	At 31 March 2023 £
Cash and bank/deposits	716,983	(96,042)	-	620,941

CATHOLIC APOSTOLIC CHURCH TRUST PROPERTY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

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. However, 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 income is 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 2023

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 2023

2. TANGIBLE FIXED ASSETS	Churches £	Other £	Total £
Freehold Properties			
As at 31 March 2023	201	300	501
As at 31 March 2022	201	300	501

See note 18 for more details.

3. INVESTMENT PROPERTY

As at 1 April 2022	11,285,000
Revaluation	-
As at 31 March 2023	<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. Hudsons have confirmed that the value has not changed as at March 2023.

4. INVESTMENTS

	Cost £	Market Value £
As at 1 April 2022	9,531,156	17,860,838
Gains and losses on disposals and revaluation	-	(1,046,160)
As at 31 March 2023	<u>£9,531,156</u>	<u>£16,814,678</u>
The investments are:		
COIF Charities Ethical Investment Fund income units		8,533,247
COIF Charities Property Fund Income units		1,203,708
COIF Ethical Fund		7,077,723
		<u>£16,814,678</u>

5. DEBTORS

	2023 £	2022 £
Prepayments	<u>£86,335</u>	<u>£111,645</u>

6. CASH AT BANK AND IN HAND

The balance shown includes deposits of £474,131 (2022: £264,142) with COIF Charities Deposit Fund. Tenants' deposits are held by the managing agent and are not included in these accounts.

7. CREDITORS

	2023 £	2022 £
Deferred income	28,101	27,803
Accrued expenses	11,100	11,100
	<u>£39,201</u>	<u>£38,903</u>

CATHOLIC APOSTOLIC CHURCH TRUST PROPERTY
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2023

8. ANALYSIS OF CHARITABLE FUNDS – 2023

	General Purposes Fund (Unrestricted) £	English Property Fund (Endowment) £	English Property Fund (Restricted) £	Total £
Tangible fixed assets	-	-	501	501
Investments	9,736,955	3,995,106	14,367,617	28,099,678
Current assets	196,355	-	510,921	707,276
Current liabilities	(11,100)	-	(28,101)	(39,201)
Total	£9,922,210	£3,995,106	£14,850,938	£28,768,254
Represented by:				
Unrestricted/restricted funds:				
Accumulated surpluses	5,768,199	-	3,791,049	9,559,248
Unrealised investment gains	4,154,011	-	3,617,371	7,771,382
Capital reserve	-	-	7,442,518	7,442,518
Endowment fund:				
Capital reserve	-	3,995,106	-	3,995,106
Total	£9,922,210	£3,995,106	£14,850,938	£28,768,254

The movements on the above funds were as follows:-

	Capital Reserve (restricted) £	Capital Reserve (endowment)	Unrealised Investment Gains £	Accumulated Surpluses £	Total £
At 1 April 2022 (as restated)	7,442,518	4,139,776	8,672,872	9,680,898	29,936,064
Losses on investments	-	(144,670)	(901,490)	-	(1,046,160)
Deficit in the year	-	-	-	(121,650)	(121,650)
At 31 March 2023	£7,442,518	£3,995,106	£7,771,382	£9,559,248	£28,768,254

ANALYSIS OF CHARITABLE FUNDS – 2022

	General Purposes Fund (Unrestricted) £	English Property Fund (Endowment)	English Property Fund (Restricted) £	Total £
Tangible fixed assets	-	-	501	501
Investments	10,411,713	4,139,776	14,594,349	29,145,838
Current assets	262,877	-	565,751	828,628
Current liabilities	(11,100)	-	(27,803)	(38,903)
Total	£10,663,490	£4,139,776	£15,132,798	£29,936,064
Represented by:				
Unrestricted/restricted funds:				
Accumulated surpluses	6,025,301	-	3,655,597	9,680,898
Unrealised investment gains	4,638,189	-	4,034,683	8,672,872
Capital reserve	-	-	7,442,518	7,442,518
Endowment fund:				
Capital reserve	-	4,139,776	-	4,139,776
Total	£10,663,490	£4,139,776	£15,132,798	£29,936,064

CATHOLIC APOSTOLIC CHURCH TRUST PROPERTY

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2023

The movements on the above funds were as follows:-

	Capital Reserve (restricted) £	Capital Reserve (endowment)	Unrealised Investment Gains/(losses) £	Accumulated Surpluses £	Total £
At 1 April 2021	£7,442,518	£3,935,741	£7,408,604	£9,536,062	£28,322,925
Gains on investments	-	204,035	1,264,268	-	1,468,303
Surplus in the year	-	-	-	144,836	144,836
At 31 March 2022	<u>£7,442,518</u>	<u>£4,139,776</u>	<u>£8,672,872</u>	<u>£9,680,898</u>	<u>£29,936,064</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.

Balances at 1 April 2020 for both the Capital Reserve restricted and endowment funds have been restated by increasing the endowment fund by £1,999,900 and reducing the restricted fund by the same amount. It was established that an incorrect entry was made in the year ended 31 March 2006 which has now been corrected.

9. INVESTMENT INCOME	2023	2022
	£	£
Dividends	549,404	544,944
Bank interest	4,022	47
Rents received	257,430	284,384
	<u>£810,856</u>	<u>£829,375</u>
10. OTHER TRADING ACTIVITIES	2023	2022
	£	£
Book sales	<u>£197</u>	<u>£1,159</u>
11. INVESTMENT MANAGEMENT COSTS	2023	2022
	£	£
Property management	35,565	33,802
Property repairs and maintenance	128,859	81,344
Support costs	33,836	30,997
	<u>£198,260</u>	<u>£146,143</u>

CATHOLIC APOSTOLIC CHURCH TRUST PROPERTY

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2023

12. CHARITABLE ACTIVITIES – 2023

	Activities undertaken directly					Total £
	Grants £	Church almanacs and sermons £	Property Costs £	Governance costs £	Support Costs £	
Religious	184,000	4,299	-	1,029	2,687	192,015
Widows and Poor	9,685	-	-	1,029	2,687	13,401
Grant to Paddington	84,000	-	-	-	-	84,000
Albury grant	1,000	-	-	-	-	1,000
Building maintenance	-	-	276,309	18,521	149,197	444,027
	<u>£278,685</u>	<u>£4,299</u>	<u>£276,309</u>	<u>£20,579</u>	<u>£154,571</u>	<u>£734,443</u>

CHARITABLE ACTIVITIES - 2022

	Activities undertaken directly					Total £
	Grants £	Church almanacs and sermons £	Property Costs £	Governance costs £	Support Costs £	
Religious	178,000	4,409	-	697	2,287	185,393
Widows and Poor	11,781	-	-	697	2,287	14,765
Albury grant	1,000	-	-	-	-	1,000
Building maintenance	-	-	165,610	12,541	160,246	338,397
	<u>£190,781</u>	<u>£4,409</u>	<u>£165,610</u>	<u>£13,935</u>	<u>£164,820</u>	<u>£539,555</u>

12A. CHARITABLE ACTIVITIES ANALYSED BY FUND

	General Purposes Fund £	English Property Fund £	2023 Total £	General Purposes Fund £	English Property Fund £	2022 Total £
Religious	193,015	-	193,015	186,393	-	186,393
Widows and poor	97,401	-	97,401	14,765	-	14,765
Building maintenance	110,853	333,174	444,027	117,272	221,125	338,397
	<u>£401,269</u>	<u>£333,174</u>	<u>£734,443</u>	<u>£318,430</u>	<u>£221,125</u>	<u>£539,555</u>

CATHOLIC APOSTOLIC CHURCH TRUST PROPERTY

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2023

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	-	102,194	102,194
Office costs	Staff time	-	52,377	52,377
		<u>£-</u>	<u>£154,571</u>	<u>£154,571</u>
Comparative figures				
Salaries	Staff time	-	94,895	94,895
Office costs	Staff time	-	69,925	69,925
		<u>£-</u>	<u>£164,820</u>	<u>£164,820</u>
14. GOVERNANCE COSTS			2023	2022
			£	£
Fees paid to the Auditors				
- Audit			7,360	6,400
- Accountancy			5,500	4,800
- Other			1,750	1,520
Other			14,610	12,720
Trustees' travelling expenses (4 Trustees) (2022: 6 Trustees)			2,058	244
Other expenses			3,911	-
			<u>£20,579</u>	<u>£13,935</u>
15. STAFF COSTS			2023	2022
			£	£
Wages and salaries			98,017	90,623
Social security costs			4,177	4,272
			<u>£102,194</u>	<u>£94,895</u>
Number of employees: (1 administration; 2 caretaking)			<u>3</u>	<u>3</u>

1 employee earned between £60,000 and £70,000 per annum (2022: the same). No remuneration was paid to any trustees in the current or prior year. Total remuneration for key management personnel was £77,607 (2022: £69,597).

16. GRANTS GIVEN

Grants are paid to a number of Christian denominations and charities for the Clergy and their dependants. Such donations amounted to £184,000 (2022: £178,000) and are included within total grants paid of £278,685 (2022: £190,781) 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 2023

17. COMMITMENTS

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

18. FREEHOLD PROPERTIES	Insurance Value £	Book Value 2023 £	Book Value 2022 £	Notes
CHURCHES				
Gordon Square	70,841,471	100	100	f)
Wolverhampton	9,124,564	100	100	a)
OTHER PROPERTIES				
Cooks Place, Albury	3,575,416	100	100	b)
Lyne Cottage, Albury	749,685	100	100	c)
Apostles Chapel, Albury	17,084,643	100	100	d)
OTHER CHURCH				
Paddington Church	33,000,000	1	1	e)
	<u>£134,375,779</u>	<u>£501</u>	<u>£501</u>	

NOTES

- a) Church is let at nominal rent.
- b) Rent is received on these properties.
- c) Occupied by caretaker.
- d) Not currently in use for worship.
- e) 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.
- f) This Church together with a number of vestries, basement meeting rooms and offices, is licensed for use by Euston Church, a section of the Church of England. A monthly lunchtime organ recital is given by a group of church organists. Weekday services are held in the separate English Chapel by another section of the Church of England, Forward in Faith, who provide a Priest Chaplain, with financial support by the Trustees.

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).

CATHOLIC APOSTOLIC CHURCH TRUST PROPERTY

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2023

19. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022
(AS RESTATED)

	General Purposes Fund (Unrestricted) £	English Property Fund (Restricted) £	English Property Fund (Endowment) £	Total 2022 £
Income and endowments from:				
Investments	333,155	496,220	-	829,375
Other trading activities	1,159	-	-	1,159
Total	334,314	496,220	-	830,534
Expenditure on:				
<i>Raising funds:</i>				
Investment management costs	-	146,143	-	146,143
<i>Charitable activities:</i>				
Religious	186,393	-	-	186,393
Widows and poor	14,765	-	-	14,765
Building maintenance	117,272	221,125	-	338,397
Total charitable activities	318,430	221,125	-	539,555
Total	318,430	367,268	-	685,698
Net income and net movement in funds before gains and losses on investments	15,884	128,952	-	144,836
Net gains on investments - realised and unrealised	886,858	377,410	204,035	1,468,303
NET MOVEMENT IN FUNDS	902,742	506,362	204,035	1,613,139
Reconciliation of funds				
Total funds brought forward (as restated)	9,760,748	14,626,436	3,935,741	28,322,925
Total funds carried forward	<u>£10,663,490</u>	<u>£15,132,798</u>	<u>£4,139,776</u>	<u>£29,936,064</u>

