

THE DIOCESE OF NORWICH CHURCHES TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

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 2020

Trustees

The Ven Steven Betts, Archdeacon of Norfolk
The Ven Karen Hutchinson, Archdeacon of Norwich
The Ven Ian Bentley, Archdeacon of Lynn
Richard M Butler DL, Diocesan Secretary – Resigned 30th April 2021

CIO Registered Number 1163195

Principal office 109 Dereham Road
Easton
NR9 5ES

Clerk & Treasurer James South ACCA

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

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

The trustees present their annual directors' report together with the financial statements of the charity for the year ending 31 December 2020.

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.

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

Achievement and Performance

Leasing of Churches

At the beginning of 2020, there were fourteen churches leased to the trust with Crostwick St Peter having joining the trust on the 1st January 2020.

Financial Review

Financial Performance

The trust received income of £21,267 in 2020 (2019 - £15,534), this income relates to collections at services, statutory parochial fees and other donations. The residual balance at year end, along with the grants from the All Churches Trust, the Anne French Memorial Trust and the Norwich Diocesan Board of Finance Limited being treated as deferred income is £67,753 (2019 - £58,400).

Of the fourteen churches in the trust, six of these no longer have any funds and are been funded from the unrestricted funds. As at the 31st December 2020, deferred unrestricted funds stand at £66,780 (£58,400 in 2019).

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 grants received, totalling £87,500 (current balance £66,780) 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 £1,500 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.

Going Concern

Due to the government lockdown which has affected the ability for Church buildings to open, there is an expectation that income for 2021 will be reduced by potentially as much as £5,000 due to lost income from collections and funerals although some donors do give by standing order and these have continued. There are currently sufficient reserves (£66,780) to be able to absorb reduction in income for both 2021 and into 2022. As noted, the trustees monitor unrestricted reserves to ensure that they do not fall below £25,000 (equivalent to 13.5 months expenditure).

The trustees are satisfied that there are sufficient assets to ensure that the charity can continue to fulfil its obligations for the next twelve months.

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 and no advertising takes place regarding fundraising.

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

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 5th August 2021 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 2020

	Note	Unrestricted funds £	Restricted funds £	Total funds £	2019 Total funds £
Income and endowments from:					
Transfers In	2	-	3,817	3,817	-
Donations and collections	2	-	3,158	3,158	5,741
Parochial Fees	2	-	3,487	3,487	4,196
Grants and Fundraising	2	10,646	159	10,805	5,597
Total Income		10,646	10,621	21,267	15,534
Expenditure on:					
Administration	3	65	-	65	214
Church Running Expenses	3	466	20,457	20,923	19,060
Churchyard	3	-	1,116	1,116	500
Building Works	3	-	-	-	1,708
Other	3	20	-	20	7
Total Expenditure		551	21,573	22,124	21,489
Net income/(expenditure)		10,095	(10,952)	(857)	(5,955)
Transfer between funds	4	(10,095)	10,095	-	-
Net movement in funds		-	(857)	(857)	(5,955)
Reconciliation of funds:					
Total funds brought forward at 1 January 2020		-	51,054	51,054	57,009
Total funds carried forward at 31 December 2020		-	50,197	50,197	51,054

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

THE DIOCESE OF NORWICH CHURCHES TRUST

**BALANCE SHEET
AS AT 31 DECEMBER 2020**

	Note	2020 £	2019 £
Current assets:			
Bank Account		109,162	101,573
Debtors	5	8,789	13,697
Total current assets		<u>117,951</u>	<u>115,270</u>
Liabilities:			
Creditors: Amounts falling due within one year	6	974	5,816
Net current assets		<u>116,977</u>	<u>109,454</u>
Creditors - amounts falling due after more than one year	6	66,780	58,400
Total net assets		<u>50,197</u>	<u>51,054</u>
The funds of the charity:			
Unrestricted funds	7	-	-
Restricted funds	7	50,197	51,054
Total charity funds		<u>50,197</u>	<u>51,054</u>

THE DIOCESE OF NORWICH CHURCHES TRUST

CASH FLOW STATEMENT
FOR THE YEAR ENDING 31 DECEMBER 2020

	Note	2020 £	2019 £
Cash flow from operating activities		-	-
Change in cash and cash equivalents in the reporting period		7,588	8,484
Cash and cash equivalents at 1st January 2020		101,573	93,089
Cash and cash equivalents at 31st December 2020		<u>109,161</u>	<u>101,573</u>
Reconciliation of net income to net cash flow from operating activities			
Net income		(858)	(5,953)
Decrease/(Increase) in debtors		4,908	(5,694)
(Decrease)/Increase in creditors		3,538	20,131
Net cash used in operating activities		<u>7,588</u>	<u>8,484</u>
Analysis of cash and cash equivalents			
Cash in hand		<u>109,161</u>	<u>101,573</u>

The financial statements were approved by the Trustees on 5th August 2021 and signed on their behalf by:



.....
Chairman

THE DIOCESE OF NORWICH CHURCHES TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

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 2020	Total funds 2019
	£	£	£	£
Transfers In	-	3,817	3,817	-
Donations	-	2,732	2,732	2,691
Fundraising	-	159	159	86
Collections	-	426	426	3,050
Statutory Fees	-	3,487	3,487	4,196
Grants	10,646	-	10,646	5,511
	<u>10,646</u>	<u>10,621</u>	<u>21,267</u>	<u>15,534</u>

3. Expenditure by Charitable Activity

	Unrestricted funds	Restricted funds	Total funds 2020	Total funds 2019
	£	£	£	£
Bank Charges	65	-	65	98
Churchyard	-	1,116	1,116	500
Cleaning	-	-	-	-
Inspection	-	7,929	7,929	7,413
Insurance	466	9,354	9,820	9,182
Smart Water	-	-	-	-
Misc	20	-	20	7
Utilities	-	1,361	1,361	1,271
Legal Fees	-	-	-	-
Parish Share	-	-	-	-
Repairs	-	-	0	228
Roof Alarm	-	1,814	1,814	1,084
Capital Works	-	-	0	1,708
	<u>551</u>	<u>21,573</u>	<u>22,124</u>	<u>21,489</u>

THE DIOCESE OF NORWICH CHURCHES TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

4. Analysis of Transfer Between Funds

	Deferred Income	Unrestricted funds	Restricted funds	Total funds 2019
Transfer from Deferred Income	(10,646)	10,646	-	-
	(10,646)	10,646	-	-

The transfer from deferred income was made to match both the deficit of general expenditure, being £551 and the transfer to cover the deficit of expenditure incurred where restricted funds received from the parishes had been exhausted which for 2020 was £9,995 (2019: £4,380).

5. Debtors

	2020	2019
Due within one year		
Prepayments and accrued income	8,936	8,030
Grants and fundraising	173	228
Donations and Collections	-	578
Parochial Fees	1,040	121
Insurance Claim	-	4,740
	<u>10,149</u>	<u>13,697</u>

This comprises of insurance paid for the period 1st January 2021 to 28th September 2021 (£7,259) as well as alarm subscriptions covering and utilities covering the period for 2021 of £1,264 and £413 respectively. Along with fundraising of £173 as well as a statutory fee of £1,040 which were paid into the bank in 2021.

6. Creditors

	2020	2019
Creditors - amounts falling due within one year		
Capital Works	-	-
Other creditors	974	5,816
	<u>974</u>	<u>5,816</u>
Creditors - amounts falling due after more than one year		
Deferred income	66,780	58,400
	<u>66,780</u>	<u>58,400</u>

The amounts falling due within one year comprises of £974 which relates to utilities billed in 2021 for 2020 usage (£296), inspections to churches which were billed in 2021 for 2020 (£216), statutory fees due to Norwich Diocesan Board of Finance Ltd (£401) and return of funds received in error (£61)

Trustee Remuneration

During the year, no Trustees received any remuneration (2019: nil)
During the year, no Trustees received any benefits in kind (2019: nil)
During the year, no Trustees received any reimbursement of expenses (2019: nil)

THE DIOCESE OF NORWICH CHURCHES TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

7. Statement of Funds

	Balance at 1st January 2020 £	Incoming Resources £	Resources Expended £	Transfer between funds £	Balance at 31st December 2020 £
Unrestricted Funds					
General Fund	-	10,646	551	(10,095)	-
Restricted Funds					
Cantley, St Margaret	441	1,875	2,906	590	-
Brunstead	2,214	-	584	-	1,630
St Peter and Paul, Bittering Parva	820	129	804	-	16
St Margaret, Calthorpe	-	120	1,283	1,263	100
St Lawrence, Ingworth	-	1,304	1,710	936	529
St Nicholas, Shereford	2,543	552	1,308	-	1,787
All Saints, South Pickenham	321	300	1,641	1,020	-
St Andrew's, Themelthorpe	-	398	1,389	991	-
All Saints, Weasenham	-	14	2,117	2,103	-
St Botolph's, Westwick	5,357	856	2,024	-	4,188
Bessingham	38,785	1,135	1,146	-	38,773
Bintree	575	238	1,690	877	-
Suffield	-	60	2,376	2,316	-
Croswick	-	3,818	774	-	3,044
Total Restricted Funds	51,055	10,799	21,752	10,095	50,197
Total of Funds	51,055	21,445	22,303	-	50,197

8. Summary of Funds

	Brought Forward £	Incoming Resources £	Resources Expended £	Transfer between funds £	Carried Forward £
General Funds	-	10,646	551	(9,995)	-
Restricted Funds	51,055	10,799	21,752	9,995	50,197
	51,055	21,445	22,303	-	50,197

9. Analysis of Net Assets Between Funds

	Unrestricted funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
Current assets	66,780	50,197	116,977	101,573
	66,780	50,197	116,977	101,573

10. Related Party Transaction

A net balance of £639 was due from the Norwich Diocesan Board of Finance Ltd (249318). This related to the net balance of statutory parochial fees due.

A grant of £20,000 was received from The Norwich Diocesan Board of Finance Limited (249318) of which The Venerable Steven Betts is also a trustee.