

WALSINGHAM TRUST
(A company limited by guarantee)
ANNUAL REPORT AND
FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

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COMPANIES HOUSE

Company number: 11655451
Registered Charity Number 1180690

WALSINGHAM TRUST

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees	Monsignor Keith Barltrop Rev John Butters Rt Rev Robert Byrne Matthew Fernandez-Graham John Gibbs Katherine Hattrell Rt Rev Alan Hopes Dr David Livesey Lt Col John Pitt (resigned 13 July 2020) Monsignor Anthony Rogers
Member	Catholic Trust for England and Wales (CaTEW)
Rector	Monsignor John Armitage (retired on 31 August 2020) Monsignor Philip Moger (appointed 24 September 2020)
Principal Office	Pilgrim Bureau Friday Market Place Walsingham Norfolk NR22 6EG
Charity Registration No	1180690
Company No	11655451
Independent Auditors	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
Solicitors	Bates Wells 10 Queen Street Place London EC4R 1BE
Bankers	Lloyds Bank PLC 3 North Brink Wisbech Cambridgeshire PE13 1JT TSB PO Box 1000 BX4 7SB

WALSINGHAM TRUST

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

INTRODUCTION

The trustees submit their annual report and the audited financial statements for the year ended 31 December 2020. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019).

STRUCTURE, GOVERNANCE & MANAGEMENT

The charity's governing document is its Memorandum and Articles dated 1 November 2018.

The Trust is governed by a Board of Trustees, chaired by the Bishop of East Anglia, which meets at least three times per Period. Trustees are appointed by the Bishop of East Anglia and one trustee is appointed by the Member.

Most of the properties from which the Trust operates are owned by the Roman Catholic Diocese of East Anglia. The use of these properties was granted to the Trust rent-free. The Rector and CEO oversee the running of the Walsingham Trust on behalf of the trustees. The Rector is responsible for the spiritual and liturgical aspects of operations. The CEO is responsible for the civil aspects of operations. During the year a new post of Director of Operations was created and recruited. This post has been created to strengthen the management capacity of the organisation and is responsible for the day-to-day management and coordination of operations.

OBJECTS AND ACTIVITIES

Objects

The objects of the charity are:

- a) the advancement of the Catholic religion anywhere in the world;
- b) the relief of poverty anywhere in the world; and
- c) to advance such charitable purposes (according to the law of England and Wales) as the Trustees see fit from time to time.

Activities

In order to further the objects noted above, the primary areas of activity in 2020 were the Shrine, a hostel, a retreat centre, a tearoom, a shop selling religious artefacts, a museum, and the Walsingham Association which supports the work of the Trust.

ACHIEVEMENTS AND PERFORMANCE

The support of the Faithful

We thank all who have supported the work of the Shrine spiritually and materially this last year. The pandemic has placed incredible pressures on individuals, charities, businesses and governments round the world and we would like to express our appreciation to all who contributed to the work of the Trust in this time. Your appreciation expressed through your prayerful support, letters, emails, facebook posts, tweets, cheques, online donations, and in-person donations has been of great encouragement to staff and volunteers at the Trust and enabled the Trust to weather the pandemic. In particular we would like to express our thanks to all who have given generously in so many different ways and especially all who responded to the various appeals. Through your support over the year, enhanced by support from government, the Trust was able to break even on general funds.

WALSINGHAM TRUST

TRUSTEES' ANNUAL REPORT (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

ACHIEVEMENTS AND PERFORMANCE (continued)

Impact of and response to COVID-19 pandemic

In 2020, all organised pilgrimages to the Shrine were cancelled or were broadcast as virtual pilgrimages owing to the COVID-19 pandemic. Whilst regular daily services were held during the year only a handful of people visited the Shrine in person.

At the point lockdown was announced in March 2020, residents at the Shrine's accommodation had to be sent home and pilgrim visits to the Shrine ceased. The Trust responded to the pandemic by extending its livestream provision from 1 hour per day to a 24/7 programme comprising three daily Masses, the Daily Office, engaging talks, an online retreat, afternoon devotions and virtual pilgrimages in various formats. Significant unplanned expenditure was required with respect to the Shrine's livestream platform including sound equipment, audio-visual infrastructure and resourcing to stream the broadcast. We are most grateful to all who responded to the Livestream and Technology Appeals which raised £46,362.

Over the course of the year the majority of staff were placed on full-time or flexible furlough leave owing to the pandemic. £326,236 was claimed through the Coronavirus Job Retention Scheme (CJRS) and other government grants which secured jobs for staff.

Dowry Tour

In the first quarter of 2020, the Dowry Tour visited Lancaster and Clifton Dioceses where it was well received. Owing to the pandemic, the final stop, Westminster, had to be deferred and it is hoped this last stop will be completed in March 2022. The Tour has been supported by a grant from the Guild of Our Lady of Ransom and donations from supporters across the country.

The Rededication

The Rededication of England as the Dowry of Mary event took place on 29th March 2020. It had been planned as a grand event in Walsingham, starting at the Slipper Chapel Shrine and culminating at the site of the Holy House in the Abbey Grounds, echoed by events in communities of the faithful nationally and internationally. However owing to pandemic and the resultant lockdown which started in late March 2020, this plan had to be abandoned. In the event the event was led by the Shrine's Rector, Mgr John Armitage, from an empty Shrine, and watched by hundreds of thousands around the world. For details of the rededication and to rewatch this historic event visit www.walsingham.org.uk.

Major gift of 47-49 High Street, Walsingham

During the year, the Society of Our Lady Faithful Virgin and Mother of Mercy, which had previously granted the Trust a lease to use 47-49 High Street, known as Dowry House, gifted the property to the Walsingham Trust. It also gave a further sum of £34,000 late in the year to support the running of Dowry House. These monies have been placed in a restricted fund.

The Greyfriars

The Trust continues to receive the support from the Order of Friars Minor Conventual of Great Britain and Ireland through three priests based in a friary in Walsingham. The priests work as chaplains in Walsingham supporting the Rector in the liturgy, ministering the Sacraments, and engaging with pilgrims both at the Shrine site and in the village. During the first phase of lockdown they shared their Daily Office through livestream.

The Community of Our Lady of Walsingham

Sisters of the Community of Our Lady of Walsingham have continued to support the work of the Shrine through their prayerful presence at Dowry House and leading retreats in person and on zoom. With Dowry House closed during lockdown the sisters have supported the Shrine's 24/7 livestream by offering morning and evening prayer and by welcoming pilgrims at the Shrine.

Other Clergy, Religious and Volunteers

The Trust has been blessed to receive support from clergy, religious and the volunteers from the local community and further afield including the Ordinariate of Our Lady of Walsingham, Mater Ecclesiae, and St Michael's Security who have assisted in a variety of capacities at the Shrine Site, in the village and beyond.

WALSINGHAM TRUST

TRUSTEES' ANNUAL REPORT (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

ACHIEVEMENTS AND PERFORMANCE (continued)

Walsingham Association

The Trust is most grateful for the continued support by the Walsingham Association which exists to foster devotion to Our Lady of Walsingham, and to support the Trust in other material ways. In 2020 the Association raised a total of £71,956 for the Trust, comprising member subscriptions, proceeds from the Association's Hundreds Club, proceeds from the Association's National Draw, donations to the Shrine's Technology Fund and donations for a Holy Water Font. The Trust is also most grateful to the Association and its members for their response to the unprecedented financial pressures faced by the Trust due to the pandemic and the generous release of £47,995 previously collected with respect to a future Candle House. This prevented the Trust from falling into deficit in 2020.

EWTN GB

The Trust has continued to work closely with EWTN which continues to feature Walsingham in events streamed live across its global network and in many editions of its flagship video bulletin, Great Britain in Focus. Through EWTN GB, the Shrine's profile continues to be elevated on the international stage through the streaming of Shrine Masses to the global EWTN network. The Trust is most grateful to all involved.

The Staff

The Trust's ability to respond effectively to all of the challenges during the year would not have been possible without the calm confident creativity and innovation of clergy, religious, staff and volunteers and their willingness to adapt their roles and responsibilities in the face of changing guidelines and uncertainty about the future.

PUBLIC BENEFIT

The Trustees are conscious that the Charities Act 2011 emphasises the requirement that all charities must be able to demonstrate that their work is of direct benefit to the public. The Trustees can confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the Charity.

The Shrine facilities and grounds in ordinary times are open to the public 365 days of the year, and fully used by the public throughout the Period and especially during the summer months. Pilgrims, tourists and others enjoy daily access to the fourteenth century Slipper Chapel, the modern Chapel of Reconciliation and other facilities.

Modestly priced, good quality accommodation ensures that residential pilgrims are also catered for. The Trust aims to provide for the spiritual and material needs of all groups and individuals.

The work of the Trust is furthered, not only by employees, but also by volunteers from the local area and beyond.

FINANCIAL REVIEW

The charity's total income in the period was £4,170,998 (2019 - £1,815,720). Of this £742,981 (2019 - £448,654) related to unrestricted donations, £29,447 (2019 - £108,138) from unrestricted legacies.

Charitable activities in the year generated £853,058 (2019 - £1,149,399) which consisted of £133,989 (2019 - £180,502) at the Shrine, £321,264 (2019 - £649,280) from the Shrine's hostels and tea room, £205,879 (2019 - £272,567) from the Shrine's retail outlets, £71,956 (2019 - £35,090) from the activities of the Walsingham Association and £119,970 (2019 - £11,960) from Development Activities.

The net-income in the period was £2,194,319 (2019 - £520,459 operating loss) of which £4,860 (2019 - £313,677 loss) related to an operating surplus on General Funds, £2,199,699 (2019 - £168,098 loss) to a net inflow on Designated Funds, and £10,240 (2019 - £38,684) to a net outflow on Restricted Funds. The primary reason for the substantial inflow on Designated Fund was the gift of 47-49 High Street to the Trust, valued at £2.4m.

Unrestricted funds increased by £2,204,559 (2019 - £20,948) and at year end stood at £3,611,472 (2019 - £1,407,273) and Restricted Funds stood negative at £4,022 (2019 - £6,218 positive).

WALSINGHAM TRUST

TRUSTEES' ANNUAL REPORT (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

ACHIEVEMENTS AND PERFORMANCE (continued)

Reserves

General funds, being the charity's free reserves, defined as the total unrestricted funds of the charity excluding any designated funds, including those funds tied up in fixed assets, stood at negative £88,731 (2019 – negative £93,231). The Trustees designated a sum of £3,752,640 (2019 - £1,603,928) to represent amounts tied up in fixed assets, so far as funds are available; it carried forward a deficit on a designated development fund of £52,437 (2019: £103,424). Restricted funds, being unspent monies towards development, had a closing balance of negative £4,022 (2019 – £6,218). Within restricted funds the Shrine Development Fund shows a deficit of £100,024 as expenditure has been incurred in advance of the receipt of expected donations. It is intended that funds will be raised once plans have been finalised and will cover this deficit.

The Trustees' target is to hold six months' necessary expenditure in free reserves amounting to £1m. Although the financial circumstances of the Shrine mean that this target is not currently met, it is anticipated that it can be achieved within 5 years. Meanwhile, a £500,000 loan from the charity's parent, CaTEW provides working capital and ensures that the charity is a going concern.

Risk Management

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations, finances and COVID-19 threat to the Trust, and have ensured that risks are managed appropriately.

The principal risks identified are:

- COVID-19 which has affected pilgrim and visitor numbers at the Shrine. In response the Trust has increased its focus on its online liturgical programme which has drawn in many thousands of viewers over the lockdown period.
- COVID-19 infection and the impact this would have on operations. The Trust has followed HM Government and Bishops' Conference Guidelines to minimise the risk of spread of infection.

FUNDRAISING

The charity fundraises primarily from the public. It does not employ professional fundraisers. It does not put undue pressure or unreasonably intrude on anyone to make a gift. It does not raise funds through telephone fundraising or work with any agency to do so. If any donor does not wish to receive future communications from the Trust, they are excluded from future mailings. It occasionally approaches charitable trusts with respect to specific fundraising initiatives. There were no complaints in the year with regard to fundraising.

FUTURE PLANS

Owing to the COVID-19 situation which developed during the year, the Trustees are undertaking a review of the Trust's strategic priorities before proceeding further with development plans for the Slipper Chapel site.

WALSINGHAM TRUST

TRUSTEES' ANNUAL REPORT (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of The Walsingham Trust for the purposes of company law) 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).

Company law 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 charitable company and of the surplus or deficit of the company, including the income and expenditure, of the charitable company 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 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 charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time of the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as we are aware:

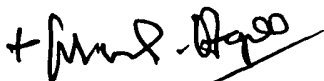
- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken to make them aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

A resolution proposing that Haysmacintyre LLP be reappointed as auditors of the company has been passed by the Trustees.

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved and authorised for issue by the Trustees on 24th September 2021 and signed as authorised on their behalf by:



Trustee

Rt Rev Alan Hopes

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF WALSINGHAM TRUST

Opinion

We have audited the financial statements of Walsingham Trust for the year ended 31 December 2020 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Financial Activities 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 charitable company's affairs as at 31 December 2020 and of the charitable company's net movement in funds, including the income and expenditure, 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 Companies Act 2006.

Basis for opinion

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 [group/charitable company]'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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Annual Report (which includes the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the directors' report).

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF

WALSINGHAM TRUST (Continued)

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 5, the trustees (who are also the directors of the charitable company for the purposes of company law) 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.

In preparing the financial statements, the trustees are responsible for assessing the charitable company'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 charitable company 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 charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to compliance with Canon Law, Company Law, the Companies Act 2006, Charities Act 2011, 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 Canon Law, the Companies Act 2006, the Charities Act 2011, the Statement of Recommended Practice for Charities (SORP 2015), FRS102 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 recognition of income and management bias in certain accounting estimates. Audit procedures performed by the engagement team included:

- 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 with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF
WALSINGHAM TRUST (Continued)**

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Jane Askew (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditor
Date: 24 September 2021

10 Queen Street Place
London
EC4R 1AG

WALSINGHAM TRUST

STATEMENT OF FINANCIAL ACTIVITIES

(Including the Summary Income and Expenditure Account)

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	General Funds £	Designated Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
INCOME FROM:						
Donations and legacies						
Donations	14	742,981	2,413,608	131,904	3,288,493	558,183
Legacies		-	29,447	-	29,447	108,138
Total		742,981	2,443,055	131,904	3,317,940	666,321
Charitable activities:						
Shrine		133,989	-	-	133,989	180,502
Hostels and Tea Room	1	321,264	-	-	321,264	649,280
Shops	1	205,879	-	-	205,879	272,567
Walsingham Association		35,003	-	36,953	71,956	35,090
Development		-	84,993	34,977	119,970	11,960
Total		1,439,116	2,528,048	203,834	4,170,998	1,815,720
EXPENDITURE ON:						
Charitable activities:						
Shrine		598,581	-	-	598,581	660,037
Hostels and Tea Room	1	602,546	-	-	602,546	804,046
Shops	1	201,767	-	-	201,767	255,597
Walsingham Association		31,362	-	47,995	79,357	35,090
Development		-	328,349	166,079	494,428	581,409
Total	2	1,434,256	328,349	214,074	1,976,679	2,336,179
NET INCOME / (EXPENDITURE)		4,860	2,199,699	(10,240)	2,194,319	(520,459)
Transfers between funds	9,10,11	-	-	-	-	-
NET MOVEMENTS IN FUNDS		4,860	2,199,699	(10,240)	2,194,319	(520,459)
RECONCILIATION OF FUNDS:						
Total funds brought forward	9,10,11	(93,231)	1,500,504	6,218	1,413,491	1,933,950
TOTAL FUNDS CARRIED FORWARD	9,10,11	£(88,371)	£3,700,203	£(4,022)	£3,607,810	£1,413,491

The accompanying notes numbered 1 to 18 form part of these financial statements.

WALSINGHAM TRUST**(Company number: 11655451)****BALANCE SHEET****AS AT 31 DECEMBER 2020**

	Notes	£	2020	£	£	2019	£
TANGIBLE FIXED ASSETS	5			3,752,640			1,603,928
CURRENT ASSETS							
Stock	6	60,988			63,344		
Debtors	7	145,329			58,978		
Cash at bank and in hand		310,843			86,746		
				517,160		209,068	
CREDITORS: Amounts falling due within one year	8	(661,990)			(399,505)		
NET CURRENT LIABILITIES				(144,830)			(190,437)
NET ASSETS				<u>£3,607,810</u>			<u>£1,413,491</u>
FUNDS:							
Unrestricted funds - general	9			(88,371)			(93,231)
- designated	10			3,700,203			1,500,504
				3,611,832			1,407,273
Restricted funds - Shrine Development	11			(100,024)			(101,340)
- Other restricted funds	11			96,002			107,558
				<u>£3,607,810</u>			<u>£1,413,491</u>

The accompanying notes numbered 1 to 16 form part of these financial statements.

The financial statements were approved and authorised for issue by the Board of the Trustees on 24th September 2021 and were signed below on its behalf by:



Trustee

Rt Rev Alan Hopes

WALSINGHAM TRUST**STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020	2019
	£	£
Cash flows from operating activities:		
Net cash provided by operating activities (see below)	283,097	49,825
Cash flows from investing activities:		
Purchase of fixed assets	(59,000)	(693,433)
Net cash (used in) investing activities	(59,000)	(693,433)
Change in cash and cash equivalents in the period	224,097	(643,608)
Cash and cash equivalents at the start of the period	86,746	730,354
Cash and cash equivalents at the end of the period (see below)	£310,843	£86,746

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

Net (expenditure)/income for the period (as per the Statement of Financial Activities)	2,194,319	(520,459)
Adjustments for:		
Depreciation charges	310,288	276,912
Decrease/(increase) in stock	2,356	(12,494)
(Increase)/decrease in debtors	(86,351)	79,119
Increase in creditors	262,485	226,747
Fixed assets gifted to Trust	(2,400,000)	-
Net cash provided by operating activities	£283,097	£49,825

ANALYSIS OF CHANGES IN NET DEBT

	At	Cash flows	At
	1 January		31 December
	2020		2020
	£	£	£
Cash at bank and in hand	86,746	224,097	310,843
Loans falling due within one year	(200,000)	(300,000)	(500,000)
	<u>£(113,254)</u>	<u>£(75,903)</u>	<u>£(189,547)</u>

WALSINGHAM TRUST

ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2020

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

a. Basis of Accounting

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 Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019) and the Companies Act 2006.

Walsingham Trust 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

The trustees have considered possible events or conditions that might cast significant doubt on the ability of the charitable company to continue as a going concern. The trustees have made their assessment for a period of at least one year from the date of the approval of these financial statements. In particular, the trustees have considered the charitable company's forecasts and projections and have considered the potential impact of the coronavirus outbreak on the viability of the charity. After making enquiries, the trustees have concluded that there is a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

c. Funds

The different funds are defined as follows:

Unrestricted funds are those funds available to the charity for its general purposes. It is the policy of the Trustees to retain in unrestricted funds, amounts which in their judgement, can help to mitigate the short-term effects of income volatility and retain funds to generate sufficient income to meet current and future operational activities of the charity.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are those funds which are to be used in accordance with specific instructions imposed by the donor or trust deed.

d. Income recognition

This comprises donations and legacies, fees receivable from the various activities and investment income. All income is recognised once the charity has entitlement to the income, it is probable that the income will be received, and the amount of income can be measured reliably.

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Income from charitable activities is recognised as earned as the related services are provided.

WALSINGHAM TRUST

ACCOUNTING POLICIES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

e. Government grants

Income from government grants is recognised when the charity has entitlement to the funds, any performance conditions attached to the grant have been met and in the period to which it relates. HMRC furlough grants represent the total amount claimed from HM Revenue and Customs under the Coronavirus Job Retention Scheme (CJRS). The income is accounted for in the period in which the salary payments are made to furloughed staff.

f. Expenditure

Liabilities are recognised as expenditure as soon as there is legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and the amount of obligation can be measured reliably.

Expenditure is recognised on an accruals basis as a liability is incurred.

Charitable activities comprise mainly of the provision of a place of worship, accommodation, welfare and catering, premises and administrative costs.

Support costs have been allocated to charitable activities. Governance activities comprise organisational administration and compliance with constitutional and statutory requirements. Costs include direct costs of external audit, legal fees and other professional advice.

g. Debtors

Trade and other 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.

h. 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.

i. 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.

j. VAT

The charity is registered for VAT but is unable to reclaim all of the input tax incurred. Irrecoverable VAT is charged to the expenditure heading for which it was incurred.

k. Significant judgments and sources estimation uncertainty

In the view of the Trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

l. 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.

WALSINGHAM TRUST

ACCOUNTING POLICIES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

m. Pensions

The charity operates a Group Personal Pension scheme with Royal London. The pension is offered to all employees and advice is provided to the charity by N W Brown and Co. Ltd, who are Independent Financial Advisers. Benefits are determined by the performance of the scheme.

The charity's liability is limited to the annual contributions payable. All contributions are charged to the Statement of Financial Activities in the Period in which they accrue.

n. Tangible Fixed Assets and Depreciation

The Trust occupies properties in Walsingham free of rent, the freehold interest belonging to the Diocese of East Anglia. The costs of improvements to Diocesan owned properties are included in building improvements.

The cost of religious objects are written off in the Period when the cost is incurred, and are therefore not represented in fixed assets.

Depreciation is provided on all fixed assets greater than £3,000, except freehold land. The rates and bases of depreciation are as follows:

Building improvements	10% straight line
Motor vehicles	25% straight line
Fixtures, fittings and equipment	25% straight line
Freehold land and buildings	2% straight line

A full year of depreciation is charged in the year of acquisition.

o. Stocks

Stocks are stated at the lower of cost or net realisable value. Cost represents purchase price, calculated on a first in first out basis.

WALSINGHAM TRUST**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 DECEMBER 2020****1. CHARITABLE TRADING ACTIVITIES (2020)**

	Hostels & Tea Room £	Shops £	Total 2020 £	Total 2019 £
Income	321,264	205,879	527,143	921,847
Expenditure:				
Cost of sales	33,354	82,915	116,269	247,774
Other costs	569,192	118,852	688,044	772,421
Depreciation	-	-	-	-
Development costs	-	-	-	-
	602,546	201,767	804,313	1,020,195
Net (deficit)/surplus	£(281,282)	£4,112	£(277,170)	£(98,348)

The above activities represent trading which is in pursuit of the purposes of the charity.

CHARITABLE TRADING ACTIVITIES (2019)

	Hostel & Tea Room £	Shops £	Total 2019 £
Income	649,280	272,567	921,847
Expenditure:			
Cost of sales	115,976	131,798	247,774
Other costs	648,623	123,798	772,421
Depreciation	-	-	-
Development costs	-	-	-
	764,599	255,596	1,020,195
Net (deficit)/surplus	£(115,319)	£16,971	£(98,348)

WALSINGHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

2. ANALYSIS OF EXPENDITURE (2020)

	Activities undertaken directly £	Support costs £	Total £	2019 £
Charitable Expenditure				
Shrine	477,772	120,809	598,581	709,716
Hostels and Tea Room	556,903	45,643	602,546	804,290
Shops	181,693	20,074	201,767	255,674
Walsingham Association	76,061	3,296	79,357	35,090
Development	422,816	71,612	494,428	531,409
	<u>£1,715,245</u>	<u>£261,434</u>	<u>£1,976,679</u>	<u>£2,336,179</u>

ANALYSIS OF EXPENDITURE (2019)

	Activities undertaken directly £	Support costs £	Total £
Charitable Expenditure			
Shrine	597,364	112,352	709,716
Hostels and Tea Room	728,274	76,016	804,290
Shops	231,509	24,165	255,674
Walsingham Association	32,124	2,966	35,090
Development	518,377	13,032	531,409
	<u>£2,107,648</u>	<u>£228,531</u>	<u>£2,336,179</u>

	2020 £	2019 £
Support costs consist of:		
Salaries	170,829	147,014
Premises	20,516	24,581
Office	9,665	9,845
Other	43,424	30,091
Governance – audit fee	17,000	17,000
	<u>£261,434</u>	<u>£228,531</u>

WALSINGHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

3. STAFF

	2020 £	2019 £
Wages and salaries	908,725	893,328
Social security costs	58,296	57,228
Pension costs	65,590	62,173
	<u>£1,032,611</u>	<u>£1,012,729</u>
	2020 No.	2019 No.
The average number of full-time employees was:	29	33
The average number of part-time employees was:	12	8

No employee earned £60,000 or more during the current or previous years.

The aggregate remuneration of key management personnel comprising the Rector, CEO and Director of Operations was £86,140 (2019: £75,885). In addition to the above payments, the Rector also received accommodation by virtue of his role.

4. TRANSACTIONS WITH TRUSTEES

No trustees received remuneration in either year. Three trustees claimed reimbursement of travel expenses totalling £357 (2019: None).

5. TANGIBLE FIXED ASSETS

	Freehold Land and Buildings £	Building Improvements £	Motor Vehicles £	Fixtures Fittings and Equipment £	Assets Under Construction £	Total £
COST						
Balance brought forward	282,550	2,236,522	37,097	525,249	20,467	3,101,885
Additions	2,400,000	-	12,000	47,000	-	2,459,000
Disposals	-	(26,199)	(19,775)	(66,561)	-	(112,535)
At 31 December 2020	<u>2,682,550</u>	<u>2,210,323</u>	<u>29,322</u>	<u>505,688</u>	<u>20,467</u>	<u>5,448,350</u>
DEPRECIATION						
Balance brought forward	16,800	1,042,759	37,097	401,301	-	1,497,957
Charge for year	53,600	170,969	3,000	82,719	-	310,288
Disposals	-	(26,199)	(19,775)	(66,561)	-	(112,535)
At 31 December 2020	<u>70,400</u>	<u>1,187,529</u>	<u>20,322</u>	<u>417,459</u>	<u>-</u>	<u>1,695,710</u>
NET BOOK VALUE						
At 31 December 2020	<u>£2,612,150</u>	<u>£1,022,794</u>	<u>£9,000</u>	<u>£88,229</u>	<u>£20,467</u>	<u>£3,752,640</u>
At 1 January 2020	<u>£265,750</u>	<u>£1,193,763</u>	<u>-</u>	<u>£123,948</u>	<u>£20,467</u>	<u>£1,603,928</u>

Additions include the gift of 47-49 High Street, Walsingham (Dowry House). This has been valued by Bailey, Bird and Warren Chartered Surveyors at £2.4m on 28 June 2021 and has been included in these accounts at this valuation.

WALSINGHAM TRUST**NOTES TO THE FINANCIAL STATEMENTS (Continued)****FOR THE YEAR ENDED 31 DECEMBER 2020****6. STOCKS**

	2020	2019
	£	£
Shop stock, for resale	49,493	50,259
Other stock	11,495	13,085
	<u>£60,988</u>	<u>£63,344</u>

Stock recognised as an expense during the period is shown in note 1 as Cost of Sales.

7. DEBTORS

	2020	2019
	£	£
Trade debtors	-	4,148
Prepayments and accrued income	134,121	53,140
Other debtors	11,208	1,690
	<u>£145,329</u>	<u>£58,978</u>

8. CREDITORS: Amounts falling due within one year

	2020	2019
	£	£
Trade creditors	54,847	121,927
Sundry loan (see note 17)	500,000	200,000
Social security and other taxes	1,992	26,797
Accruals and deferred income	104,369	44,902
Sundry creditors	782	5,879
	<u>£661,990</u>	<u>£399,505</u>

WALSINGHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

9. GENERAL FUNDS (2020)

	Brought Forward £	Income £	Expenditure £	Transfers £	Carried Forward £
General funds	(93,231)	1,439,116	(1,434,256)	-	(88,371)
	<u>£(93,231)</u>	<u>£1,439,116</u>	<u>£(1,434,256)</u>	<u>-</u>	<u>£(88,371)</u>

GENERAL FUNDS (2019)

	Brought Forward £	Income £	Expenditure £	Transfers £	Carried Forward £
General funds	226,703	1,441,093	(1,754,770)	(6,257)	£(93,231)
	<u>£226,703</u>	<u>£1,441,093</u>	<u>£(1,754,770)</u>	<u>£(6,257)</u>	<u>£(93,231)</u>

10. DESIGNATED FUNDS (2020)

	Brought Forward £	Income £	Expenditure £	Transfers £	Carried Forward £
Legacy Fund	-	29,447	(1,443)	(28,004)	-
Fixed Asset Fund	1,603,928	2,400,000	(310,288)	59,000	3,752,640
Development Fund	(103,424)	98,601	(16,618)	(30,996)	(52,437)
	<u>£1,500,504</u>	<u>£2,528,048</u>	<u>£(328,349)</u>	<u>-</u>	<u>£3,700,203</u>

DESIGNATED FUNDS (2019)

	Brought Forward £	Income £	Expenditure £	Transfers £	Carried Forward £
Legacy Fund	-	108,138	-	(108,138)	-
Fixed Asset Fund	1,187,407	-	(276,912)	693,433	1,603,928
Development Fund	(27,785)	65,081	(64,405)	(76,315)	(103,424)
	<u>£1,159,622</u>	<u>£173,219</u>	<u>£(341,317)</u>	<u>£508,980</u>	<u>£1,500,504</u>

The Legacy Fund was established in 2019 and represents amounts received in legacies and which the Trustees have determined to set aside to support particular priorities of the Trust. In 2020 the Legacy Fund has been applied to support development activities.

The Fixed Asset Fund represents funds set aside to cover the depreciation of assets purchased but not yet depreciated, so far as funds are available.

The Development Fund is earmarked for various infrastructure enhancements and for other developmental activities. Certain expenditure has been incurred in advance of the receipt of expected donations.

WALSINGHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

11. RESTRICTED FUNDS (2020)

	Brought Forward £	Income £	Expenditure £	Transfers £	Carried Forward £
Development Funds:					
Shrine Development	(101,340)	7,930	(6,614)	-	(100,024)
Candle House Appeal (WA)	47,995	-	(47,995)	-	-
Holy Water Font Appeal (WA)	-	35,953	-	-	35,953
Mission & Outreach	52,172	73,238	(116,084)	-	9,326
Livestream & Technology	-	47,362	(39,710)	-	7,652
Dowry House Bursaries	-	1,430	(72)	-	1,358
Dowry House Chapel	-	3,496	(1,592)	-	1,904
Dowry House Reserve	-	34,000	(1,700)	-	32,300
Other	7,391	425	(307)	-	7,509
	<u>£6,218</u>	<u>£203,834</u>	<u>£(214,074)</u>	<u>-</u>	<u>£(4,022)</u>

RESTRICTED FUNDS (2019)

	Brought Forward £	Income £	Expenditure £	Transfers £	Carried Forward £
Development Funds	547,625	201,408	(240,092)	(502,723)	6,218
	<u>£547,625</u>	<u>£201,408</u>	<u>£(240,092)</u>	<u>£(502,723)</u>	<u>£6,218</u>

The Development Funds represent amounts received to fund initiatives designated by the donor. The Shrine Development Fund shows a deficit as expenditure has been incurred in advance of the receipt of expected donations. It is intended that funds will be raised once plans have been finalised and will cover this deficit.

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS (2020)

	General Funds £	Designated Funds £	Restricted Funds £	Total 2020 £
Fund balances at 31 December 2020 are represented by:				
Tangible assets	-	3,752,640	-	3,752,640
Current assets	393,154	28,004	96,002	517,160
Current liabilities	(481,525)	(80,441)	(100,024)	(661,990)
Net assets	<u>£(88,371)</u>	<u>£3,700,203</u>	<u>£(4,022)</u>	<u>£3,607,810</u>

WALSINGHAM TRUST**NOTES TO THE FINANCIAL STATEMENTS (Continued)****FOR THE YEAR ENDED 31 DECEMBER 2020****ANALYSIS OF NET ASSETS BETWEEN FUNDS (2019)**

	General Funds £	Designated Funds £	Restricted Funds £	Total 2019 £
Fund balances at 31 December 2019 are represented by:				
Tangible assets	-	1,603,928	-	1,603,928
Current assets	202,850	-	6,218	209,068
Current liabilities	(296,081)	(103,424)	-	(399,505)
Net assets	<u>£(93,231)</u>	<u>£1,500,504</u>	<u>£6,218</u>	<u>£1,413,491</u>

13. OPERATING LEASES

The charity's commitments in respect of operating lease rentals are as follows:

	2020 £	2019 £
In respect of operating leases expiring		
- Within one year	18,832	728
- Between one and two years	18,832	-
- Between two and five years	<u>36,909</u>	<u>47,968</u>

14. GOVERNMENT GRANTS

Over the course of the year the majority of staff were placed on full-time or flexible furlough leave owing to the pandemic. £326,236 was claimed through the Coronavirus Job Retention Scheme (CJRS) and other government grants which secured jobs for staff. These amounts are included within donations.

15. RELATED PARTY TRANSACTIONS

The charity has borrowed a sum of £500,000 from its parent charity and member – CaTEW. The amount has been borrowed interest-free and there is no fixed repayment date, but it is repayable on demand and has therefore been included as due within one year.

WALSINGHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

**16. FINANCIAL INFORMATION FOR 2019
COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES**

	General Funds £	Designated Funds £	Restricted Funds £	Total 2019 £
INCOME FROM:				
Donations and legacies				
Donations	448,654	65,081	44,448	558,183
Legacies	-	108,138	-	108,138
Total	448,654	173,219	44,448	666,321
Charitable activities:				
Shrine	35,502	-	145,000	180,502
Hostels and Tea Room	649,280	-	-	649,280
Shops	272,567	-	-	272,567
Walsingham Association	35,090	-	-	35,090
Development	-	-	11,960	11,960
Total	1,441,093	173,219	201,408	1,815,720
EXPENDITURE ON:				
Charitable activities:				
Shrine	660,037	-	-	660,037
Hostels and Tea Room	804,046	-	-	804,046
Shops	255,597	-	-	255,597
Walsingham Association	35,090	-	-	35,090
Development	-	341,317	240,092	581,409
	1,754,770	341,317	240,092	2,336,179
NET (EXPENDITURE)/INCOME	(313,677)	(168,098)	(38,684)	(520,459)
Transfers between funds	(6,257)	508,980	(502,723)	-
NET MOVEMENTS IN FUNDS	(319,934)	340,882	(541,407)	(520,459)
RECONCILIATION OF FUNDS:				
Funds transferred from the unincorporated trust	226,703	1,159,622	547,625	1,933,950
TOTAL FUNDS CARRIED FORWARD	£(93,231)	£1,500,504	£6,218	£1,413,491