

# **Two Churches One Town**

## **Financial Statements**

**For the period 24th July 2019  
to 31st December 2020**



# Two Churches One Town

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*for the period 24th July 2019 to 31st December 2020*

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# Two Churches One Town

## Reference and Administrative Details

*for the period 24th July 2019 to 31st December 2020*

<b>TRUSTEES</b>	Rev.Canon J W Baker (appointed 24.7.2019) Mr T J Carlisle (appointed 24.7.2019) Mr D R Kilburn (appointed 24.7.2019) Rev R A Lumley (appointed 24.7.2019) Mr A L Marr (appointed 24.7.2019) Mr R I Townsend (appointed 24.7.2019)
<b>COMPANY SECRETARY</b>	W A Fowler
<b>REGISTERED OFFICE</b>	Beverley Minster Parish Centre 38 Highgate Beverley East Yorkshire HU17 0DN
<b>REGISTERED COMPANY NUMBER</b>	12120938 (England and Wales)
<b>REGISTERED CHARITY NUMBER</b>	1185773
<b>AUDITORS</b>	Smailes Goldie Chartered Accountants Statutory Auditor Regent's Court Princess Street Hull East Yorkshire HU2 8BA
<b>BANKERS</b>	Santander UK PLC 6-8 King Edward Street Hull East Yorkshire HU1 3SS
<b>SOLICITORS</b>	Wrigleys Solicitors LLP 19 Cookridge Street Leeds LS2 3AG

# Two Churches One Town

## Reference and Administrative Details

*for the period 24th July 2019 to 31st December 2020*

### ADVISERS

Architect:  
Carden & Godfrey  
33 Clerkenwell Close  
London  
EC1R 0AU

Surveyors:  
Turner and Holman  
7 The Paddock  
Fangfoss  
York  
YO41 5SH

Surveyors:  
Brundell Woolley Ltd  
The Terrace  
Grantham Street  
Lincoln  
LN2 1BD

# Two Churches One Town

## Report of the Trustees

*for the period 24th July 2019 to 31st December 2020*

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the period 24th July 2019 to 31st December 2020. The trustees have adopted the provisions of 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 2019).

### INCORPORATION

The charitable company was incorporated on 24th July 2019 and commenced trading on the same date.

### OBJECTIVES AND ACTIVITIES

#### Objectives and aims

Our charity's purposes as set out in the objects contained in the company's Articles of Association are:

- 1) to preserve for the public benefit the churches known as Beverley Minster and St. Mary's Church, Beverley
- 2) the advancement of education of the public by:
  - a) the promotion of the Churches as places of heritage
  - b) facilitating an improved understanding of the heritage
  - c) the provision for the development of skills
- 3) the promotion of the arts for the public benefit in Beverley and the surrounding area.

The aims of our charity are to rescue and keep safe for all, Beverley Minster and St. Mary's Church and to nurture and grow the unique, lasting links of Heritage, Music and Learning that bind the two churches and the town.

The trustees in making decisions about what the charity has done during the period to carry out these purposes for the public benefit have had due regard to the Charity Commission's public benefit guidance when exercising any powers or duties to which the guidance is relevant.

#### Ensuring our work delivers our aims

We review our aims, objectives and activities each year. This review looks at what we achieved and the outcomes of our work, since the charity was established in July 2019. The review looks at the success of each key activity and the benefits each one has brought to those groups of people we are committed to help. The review also helps us to ensure our aims, objectives and activities remained focused on our stated purposes. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

#### The focus of our work

Our main objectives during the period were securing funds for the restoration work at Beverley Minster and St. Mary's Church, Beverley and facilitating ways and means to grow and develop the links of Heritage, Music and Learning. The strategies we have used to meet these objectives include:

- attracting donations from grant making trusts and individuals
- guiding and directing two learning officers in developing and delivering a range of learning focused activities designed to engage a wide and diverse audience
- developing and delivering ways of interpreting the buildings, their role, story and the heritage through links with historians based in Beverley.
- facilitating concerts and events to place Beverley as a focal point of the musical life of the region.

# Two Churches One Town

## Report of the Trustees

*for the period 24th July 2019 to 31st December 2020*

### OBJECTIVES AND ACTIVITIES

#### Public benefit

We will deliver public benefit by saving this priceless heritage and keeping the buildings open for everyone and safe and free to visit. The Minster needs essential repairs to the leaking roof and windows. St. Mary's needs urgent repairs to its stonework. The current restoration project to preserve the heritage will cost £20 million over a ten year period.

The restoration will enable us to preserve and grow the music and learning opportunities flowing from the buildings.

We were successful in the year in attracting donations from grant making trusts and from individuals.

We implemented a new website that explains our activities to our stakeholders: [www.beverleytwochurches.co.uk](http://www.beverleytwochurches.co.uk). The website enables people to volunteer and to make a donation.

The impact of the government restrictions following the Covid-19 pandemic adversely affected the charity particularly in respect of planned concerts and events and in the number of visitors to Beverley during the period.

We could not have achieved this success without the support of our trustees, officers, friends and volunteers and I would like to record our sincere thanks to them all.

### FINANCIAL REVIEW

#### Financial position

The charity has total income of £118,658 and total funds at 31st December 2020 were £100,064. The trustees consider the financial position of the charity for the first period to be very satisfactory.

The charity has in addition been instrumental in securing further funds of £4.5m, which do not form part of these accounts.

#### Reserves policy

This is the reserves policy for Two Churches One Town ("TCOT"). This policy has been drafted after considering the Charity Commission guidance 'charity reserves: building resilience (CC19)', published in January 2016. This guidance was reviewed and updated by the Charity Commission in its paper 'charity reserves policies: demonstrating and building resilience', published in November 2018. TCOT was established in July 2019 and this is the initial reserves policy the trustees have adopted since that date. It is the trustees' intention to hold sufficient reserves to undertake an orderly winding up of the charity should this become necessary. Some monies raised by TCOT are restricted funds set aside to meet agreed future distribution, such as the restoration projects previously agreed. This policy will consider the reserves of unrestricted funds to be held and therefore designated funds are excluded. The policy will be reviewed annually.

#### Funds

##### Unrestrictive funds reserve

On 31st December 2020 unrestricted funds were in excess of £60,000. Two Churches One Town (TCOT) does not own any fixed assets. The trustees have agreed to set aside £5,000 of unrestrictive funds as a future reserve. This amount is considered to be sufficient to meet TCOT's outstanding liabilities, should it cease its activities.

##### Restricted funds reserve

After considering the Charity Commission's guidance, the trustees do not consider that restricted funds should be held in reserve for the future. Should TCOT cease trading, the trustees will use their best endeavours to distribute restricted funds without undue delay.

##### Investment of reserves

Reserves of unrestricted funds will be held in an interest bearing account with not more than one month's withdrawal notice. This account will be held with TCOT's bank, currently Santander PLC.

# Two Churches One Town

## Report of the Trustees

*for the period 24th July 2019 to 31st December 2020*

### STRUCTURE, GOVERNANCE AND MANAGEMENT

#### Governing document

The organisation is a charitable company limited by guarantee, incorporated on 24th July 2019 and registered as a charity on 14th October 2019. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

#### Recruitment and appointment of new trustees

The directors of the company are also charity trustees for the purposes of charity law.

In selecting individuals for appointment as charity trustees, the trustees will have regard to the skills, knowledge and experience needed for the effective administration of the charity.

One third (or the number nearest one third) of trustees, other than the ex-officio Trustee, must retire at each annual trustees' meeting, those longest in office retiring first and the choice between any of equal service being made by drawing lots.

Mr T Carlisle and Mr A Marr will therefore retire at the annual trustees meeting to be held on 11 March 2021 and being eligible, offer themselves for re-election.

All trustees give their time voluntary and receive no benefits from the company.

#### Organisational structure

The charity operates with a volunteer team of six fundraisers, a team of seven looking after the Learning, Music and Heritage segments, two in finance and a company secretary.

#### Risk management

The trustees will be conducting a review of the major risks to which the charity is exposed. A risk register will be established and will be updated at least annually. Where appropriate, systems or procedures will be established to mitigate the risks the charity faces.

### STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Two Churches One Town for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

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 incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- 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 which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

# Two Churches One Town

## Report of the Trustees

*for the period 24th July 2019 to 31st December 2020*

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued**

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

### **AUDITORS**

The auditors, Smailes Goldie, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 11th March 2021 and signed on its behalf by:

Mr T J Carlisle - Trustee

# **Report of the Independent Auditors to the Members of Two Churches One Town**

## **Opinion**

We have audited the financial statements of Two Churches One Town (the 'charitable company') for the period ended 31st December 2020 which comprise the Statement of Financial Activities, the Balance Sheet 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st December 2020 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

# **Report of the Independent Auditors to the Members of Two Churches One Town**

## **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 Report of the Trustees.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

## **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, 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.

## **Our 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 a Report of the Independent Auditors 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.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

# **Report of the Independent Auditors to the Members of Two Churches One Town**

## **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 auditors' 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.

James Mark Sharpley FCA (Senior Statutory Auditor)  
for and on behalf of Smailes Goldie  
Chartered Accountants  
Statutory Auditor  
Regent's Court  
Princess Street  
Hull  
East Yorkshire  
HU2 8BA

11th March 2021

# Two Churches One Town

## Statement of Financial Activities

for the period 24th July 2019 to 31st December 2020

	Notes	Unrestricted funds £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>				
<b>Charitable activities</b>	3			
Other		<b>61,344</b>	<b>57,276</b>	<b>118,620</b>
Investment income	2	<u><b>18</b></u>	<u><b>20</b></u>	<u><b>38</b></u>
<b>Total</b>		<b>61,362</b>	<b>57,296</b>	<b>118,658</b>
 <b>EXPENDITURE ON</b>				
<b>Charitable activities</b>	4			
Other		<b>375</b>	<b>18,219</b>	<b>18,594</b>
 <b>NET INCOME</b>		<u><b>60,987</b></u>	<u><b>39,077</b></u>	<u><b>100,064</b></u>
 <b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u><b>60,987</b></u></u>	<u><u><b>39,077</b></u></u>	<u><u><b>100,064</b></u></u>

The notes form part of these financial statements

# Two Churches One Town

## Balance Sheet

31st December 2020

	Notes	Unrestricted funds £	Restricted funds £	Total funds £
<b>CURRENT ASSETS</b>				
Prepayments and accrued income		1,276	2,276	3,552
Cash at bank		<u>59,726</u>	<u>38,001</u>	<u>97,727</u>
		61,002	40,277	101,279
<b>CREDITORS</b>				
Amounts falling due within one year	8	(15)	(1,200)	(1,215)
<b>NET CURRENT ASSETS</b>		<u>60,987</u>	<u>39,077</u>	<u>100,064</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>60,987</u>	<u>39,077</u>	<u>100,064</u>
<b>NET ASSETS</b>		<u>60,987</u>	<u>39,077</u>	<u>100,064</u>
<b>FUNDS</b>	9			
Unrestricted funds:				
General fund				22,987
Designated fund				<u>38,000</u>
				60,987
Restricted funds:				
Professional Fees				4,067
Pinnacle Repairs				<u>35,010</u>
				<u>39,077</u>
<b>TOTAL FUNDS</b>				<u>100,064</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 11th March 2021 and were signed on its behalf by:

Mr T J Carlisle - Trustee

# Two Churches One Town

## Notes to the Financial Statements

*for the period 24th July 2019 to 31st December 2020*

### 1. ACCOUNTING POLICIES

#### **Basis of preparing the financial statements**

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

#### **Income recognition**

Income is measured at the fair value of the consideration received or receivable. The policies adopted for the recognition of income are as follows:

#### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. All expenses including support costs and governance costs are allocated to the applicable expenditure heading.

#### **Allocation and apportionment of costs**

Support costs have been allocated between administration and governance costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice such as costs related to bookkeeping and statutory audit. There has been no apportionment of costs.

#### **Taxation**

The charity is exempt from corporation tax on its charitable activities.

#### **Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

#### **Donations and grants**

Income from donations, government and other grants, whether capital or revenue, is recognised when the charity has entitlements to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably.

#### **Debtors and creditors receivable/payable within one year**

Debtors and creditors with no stated interest rate and are receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of financial activities allocated to the appropriate heading.

# Two Churches One Town

## Notes to the Financial Statements - continued for the period 24th July 2019 to 31st December 2020

### 2. INVESTMENT INCOME

	£
Deposit account interest	<u>38</u>

### 3. INCOME FROM CHARITABLE ACTIVITIES

	Activity	£
Donations	Other	83,620
Grants	Other	<u>35,000</u>
		<u>118,620</u>

Grants received, included in the above, are as follows:

	£
Headley Trust grant	<u>35,000</u>

### 4. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 5) £	Totals £
Other	<u>4,010</u>	<u>14,584</u>	<u>18,594</u>
			£
Postage and stationery			271
Legal and professional			3,635
Sundry			13
Bank charges			<u>91</u>
			<u>4,010</u>

### 5. SUPPORT COSTS

	£
Auditors' remuneration	1,200
Legal and professional	<u>13,384</u>
	<u>14,584</u>

# Two Churches One Town

## Notes to the Financial Statements - continued for the period 24th July 2019 to 31st December 2020

### 6. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

Auditors' remuneration	£ <u>1,200</u>
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### 7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the period ended 31st December 2020.

#### Trustees' expenses

There were no trustees' expenses paid for the period ended 31st December 2020.

### 8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Accrued expenses	£ <u>1,215</u>
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### 9. MOVEMENT IN FUNDS

	Net movement in funds £	Transfers between funds £	At 31.12.20 £
<b>Unrestricted funds</b>			
General fund	60,987	(38,000)	22,987
Designated fund	<u>-</u>	<u>38,000</u>	<u>38,000</u>
	60,987	-	60,987
<b>Restricted funds</b>			
Professional Fees	4,067	-	4,067
Pinnacle Repairs	<u>35,010</u>	<u>-</u>	<u>35,010</u>
	39,077	-	39,077
<b>TOTAL FUNDS</b>	<u>100,064</u>	<u>-</u>	<u>100,064</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	61,362	(375)	60,987
<b>Restricted funds</b>			
Professional Fees	22,286	(18,219)	4,067
Pinnacle Repairs	<u>35,010</u>	<u>-</u>	<u>35,010</u>
	57,296	(18,219)	39,077
<b>TOTAL FUNDS</b>	<u>118,658</u>	<u>(18,594)</u>	<u>100,064</u>

# **Two Churches One Town**

## **Notes to the Financial Statements - continued** *for the period 24th July 2019 to 31st December 2020*

### **10. RELATED PARTY DISCLOSURES**

There were no related party transactions for the period ended 31st December 2020.