

**THE CHURCH AND TOWN ESTATE PROPERTY CHARITY**

**UNAUDITED**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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## THE CHURCH AND TOWN ESTATE PROPERTY CHARITY

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## THE CHURCH AND TOWN ESTATE PROPERTY CHARITY

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### REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2021

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#### **Trustees**

B Masterson, Hempnall Trust (Chairman)  
C Barnes, Hempnall Trust  
P Brookes, Educational Foundation  
R Eagle, Educational Foundation  
D Hook, Educational Foundation  
M Kingston, Vicar ex-Oficio  
G Munson, Hempnall Trust  
J Kelly, Hempnall Trust  
P Workman, Hempnall Trust  
D Scott, Hempnall Trust  
P Askew, Hempnall Trust (resigned)  
H Fraser, Hempnall Trust (resigned)  
D Key, Educational Foundation & Church Warden  
C Key, Church Warden  
P Stone, Hempnall Trust  
C Rodger, Hempnall Trust  
D Trevanion, Educational Foundation  
M Williams, Hempnall Trust  
P Bates, Hempnall Trust (appointed)

#### **Charity registered number**

209148

#### **Principal office**

Karinya, Bungay Road, Hempnall, Norwich, NR15 2NG

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## **THE CHURCH AND TOWN ESTATE PROPERTY CHARITY**

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### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021**

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The Trustees present their annual report together with the financial statements of the charity for the year 1 January 2021 to 31 December 2021.

#### **Objectives and activities**

##### **a. Objectives and activities**

The main objects of the charity are to divide the clear income of the charity into four equal parts and to pay one of such parts to the trustees of the Town Estate Educational Foundation as the endowment of that foundation, another of such parts to the Trustees of the Church Estate Charity as the endowment of that charity and the remaining two of such parts to the Trustees of the Hempnall Trust as the endowment of that charity.

Income is received as dividends and interest from the charity's investment portfolio. Bank interest and rents from the charity's property are also received.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

##### **b. Activities undertaken to achieve objectives**

The income for the year amounted to £42,452 (2020: £67,822) and after property maintenance and administrative expenses there was a distributable income available to the related charities of £37,155 (2020: £61,876).

##### **c. Grant-making policies**

Except for the costs of managing the charity, its property and other investments, all income is dispersed to the dependent charities.

#### **Achievements and performance**

##### **a. Investment policy**

The trustees aim through the charity's investment policy is to balance capital growth with income returns in order for the charity to generate funds to meet the current and future needs of the beneficiaries of the associated charities.

Following a review of the charity's listed investment holdings, considering in particular factors such as diversification, fund stability and projected returns, the trustees decided to move the listed investments to Sarasins Endowment Class A Income Fund in the prior year.

#### **Financial review**

##### **a. Reserves policy**

The Trustees have followed the advice given by the Charity Commission, and investments provide both capital growth and income sufficient to meet the needs of the dependent charities.

All funds are held as endowed funds, and all net income is distributed to the dependent charities as it is received. Hence no free reserves arise.

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## THE CHURCH AND TOWN ESTATE PROPERTY CHARITY

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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#### Structure, governance and management

##### a. Constitution

The company is registered as a charity and was constituted by a Charity Commission Scheme on 23 February 1917 varied by an order dated 16 February 1978.

##### b. Related party relationships

The charity shares common control with the following charities:

The Hempnall Trust - (50%)  
The Town Estate Educational Foundation - (25%)  
The Church Estate Charity (Hempnall) - (25%)

The Church and Town Estate Property Charity (Hempnall) provides funding for the above charities and the percentages represent the proportion of net income they each receive from the distribution. The Trustees of each of the related charities also serve as trustees for this charity. Transactions between the related parties are set out in notes 5 and 15. The methods adopted for the recruitment and appointment of new Trustees therefore follow the policies adopted by the dependent charities, as disclosed in their financial statements.

#### Statement of Trustees' responsibilities

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

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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 Charity Commission Scheme. 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.

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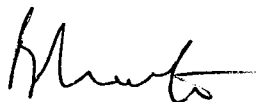
THE CHURCH AND TOWN ESTATE PROPERTY CHARITY

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TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021

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Approved by order of the members of the board of Trustees and signed on their behalf by:



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**B Masterson**  
(Chair of Trustees)  
Date: 7 4 22

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## THE CHURCH AND TOWN ESTATE PROPERTY CHARITY

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### INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

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#### Independent examiner's report to the Trustees of The Church and Town Estate Property Charity ('the charity')

I report to the charity Trustees on my examination of the accounts of the charity for the year ended 31 December 2021.

#### Responsibilities and basis of report

As the Trustees of the charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared the accounts in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed:

Giles Kerkham

**Larking Gowen LLP**  
Chartered Accountants  
Norwich

Dated:

FCA DChA

**THE CHURCH AND TOWN ESTATE PROPERTY CHARITY**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	Endowment funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>Income and endowments from:</b>				
Investments	2	37,685	37,685	63,708
Property income	3	4,767	4,767	4,114
<b>Total income and endowments</b>		<b>42,452</b>	<b>42,452</b>	<b>67,822</b>
<b>Expenditure on:</b>				
Other costs	4	5,297	5,297	5,946
Payments to related charities		37,155	37,155	61,876
<b>Total expenditure</b>		<b>42,452</b>	<b>42,452</b>	<b>67,822</b>
<b>Net income before net gains/(losses) on investments</b>				
		-	-	-
Net gains/(losses) on investments		93,604	93,604	(266,395)
<b>Net movement in funds</b>		<b>93,604</b>	<b>93,604</b>	<b>(266,395)</b>
<b>Reconciliation of funds:</b>				
Total funds brought forward		1,572,962	1,572,962	1,839,357
Net movement in funds		93,604	93,604	(266,395)
<b>Total funds carried forward</b>		<b>1,666,566</b>	<b>1,666,566</b>	<b>1,572,962</b>

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 8 to 16 form part of these financial statements.

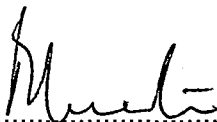


**THE CHURCH AND TOWN ESTATE PROPERTY CHARITY**

**BALANCE SHEET  
AS AT 31 DECEMBER 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Investments		1,666,562	1,556,527
		<u>1,666,562</u>	<u>1,556,527</u>
<b>Current assets</b>			
Debtors	10	564	-
Investments	11	-	16,431
Cash at bank and in hand		2,310	5,878
		<u>2,874</u>	<u>22,309</u>
Creditors: amounts falling due within one year	12	(2,870)	(5,874)
		<u>4</u>	<u>16,435</u>
<b>Net current assets</b>			
		<u>1,666,566</u>	<u>1,572,962</u>
<b>Total net assets</b>			
		<u>1,666,566</u>	<u>1,572,962</u>
<b>Charity funds</b>			
Endowment funds	13	1,666,566	1,572,962
<b>Total funds</b>		<u>1,666,566</u>	<u>1,572,962</u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



**B Masterson**

Date: 7 4 22

The notes on pages 8 to 16 form part of these financial statements.

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## THE CHURCH AND TOWN ESTATE PROPERTY CHARITY

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 1. Accounting policies

##### 1.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Church and Town Estate Property Charity 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.

##### 1.2 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 receivable can be measured reliably.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

##### 1.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

##### 1.4 Investments

Investments are stated at market value at the balance sheet date. The Statement of Financial Activities includes net gains and losses arising on revaluations and disposals throughout the year.

Investments held as fixed assets are shown at cost less provision for impairment.

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## THE CHURCH AND TOWN ESTATE PROPERTY CHARITY

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 1. Accounting policies (continued)

##### 1.5 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

##### 1.6 Cash at bank and in hand

Cash at bank and in hand includes 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.

##### 1.7 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

##### 1.8 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

##### 1.9 Fund accounting

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

The endowment fund represents capital of the charity, which is invested in perpetuity. Gains and losses on endowment fund investments accrue to the fund. Investment income net of administration costs is divided between dependent charities as described in the Trustees Report.

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**THE CHURCH AND TOWN ESTATE PROPERTY CHARITY**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**2. Investment income**

	<b>Endowment funds 2021 £</b>	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
Dividends and interest	37,685	<b>37,685</b>	63,708
	<hr/>	<hr/>	<hr/>
<i>Total 2020</i>	<hr/> 63,708 <hr/>	<hr/> 63,708 <hr/>	

**3. Property income**

	<b>Endowment funds 2021 £</b>	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
Rentals	2,734	<b>2,734</b>	2,005
Rural Payments Agency	2,033	<b>2,033</b>	2,109
	<hr/>	<hr/>	<hr/>
	4,767	<b>4,767</b>	4,114
	<hr/>	<hr/>	<hr/>
<i>Total 2020</i>	<hr/> 4,114 <hr/>	<hr/> 4,114 <hr/>	

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**THE CHURCH AND TOWN ESTATE PROPERTY CHARITY**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**4. Analysis of other costs**

**Summary by fund type**

	Endowment funds 2021 £	Total funds 2021 £	Total funds 2020 £
Secretary's salary and expenses	546	<b>546</b>	1,272
Independent Examination and Accountancy	1,109	<b>1,109</b>	1,088
Insurance	1,043	<b>1,043</b>	1,227
Property Management Fees	488	<b>488</b>	388
Sundry	-	-	32
Krons Meadow Project	1,111	<b>1,111</b>	939
Meetings (note 15)	1,000	<b>1,000</b>	1,000
	<u>5,297</u>	<u><b>5,297</b></u>	<u>5,946</u>
<i>Total 2020</i>	<u>5,946</u>	<u>5,946</u>	

**5. Related Parties**

	Hempnall Trust 2021 £	Church Estate Charity 2021 £	Town Estate Educational Foundation 2021 £	Total funds 2021 £
Balance at 1 January 2021	1,264	1,761	1,761	<b>4,786</b>
Allocation of income for the year ended 31 December 2021	18,577	9,289	9,289	<b>37,155</b>
Less: Amounts already paid to related charities	(20,405)	(10,170)	(10,170)	<b>(40,745)</b>
<b>Balance at 31 December 2021 (Debtor)/Creditor</b>	<u>(564)</u>	<u>880</u>	<u>880</u>	<u><b>1,196</b></u>

# THE CHURCH AND TOWN ESTATE PROPERTY CHARITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

### 6. Related Parties Prior Year

	Hempnall Trust 2020 £	Church Estate Charity 2020 £	Town Estate Educational Foundation 2020 £	Total funds 2020 £
Balance at 1 January 2020	1,866	1,059	1,059	3,984
Allocation of income for the year ended 31 December 2020	30,937	15,469	15,469	61,875
Less: Amounts paid to the related charities	(31,539)	(14,767)	(14,767)	(61,073)
<b>Balance at 31 December 2020 (Creditor)</b>	<b>1,264</b>	<b>1,761</b>	<b>1,761</b>	<b>4,786</b>

### 7. Independent examiner's remuneration

	2021 £	2020 £
Fees payable for the independent examination of the charity's annual accounts	1,109	1,088

### 8. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 December 2021, no Trustee expenses have been incurred (2020 - £NIL).

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**THE CHURCH AND TOWN ESTATE PROPERTY CHARITY**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**9. Fixed asset investments**

	2021 £	Listed Investments 2021 £	Freehold Land 2021 £	Total funds 2021 £	Total funds 2020 £
<b>Market Value</b>					
At 1 January 2021	-	1,311,527	245,000	<b>1,556,527</b>	1,822,922
Additions	-	16,431	-	<b>16,431</b>	1,298,346
Disposals	-	-	-	-	(1,298,346)
Gain/(Loss)	-	93,604	-	<b>93,604</b>	(266,395)
<b>Total 2021</b>	<b>-</b>	<b>1,421,562</b>	<b>245,000</b>	<b>1,666,562</b>	<b>1,556,527</b>
<i>Total 2020</i>	<i>1,311,527</i>	<i>245,000</i>	<i>1,556,527</i>	<i>3,113,054</i>	

# THE CHURCH AND TOWN ESTATE PROPERTY CHARITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

### Investments (at market value)

	2021 £	2020 £
<b>UK Investments</b>		
Endowed fund Sarasins Class A Income Units 1,112,124.34 (2020: 1,098,431.59)	1,421,562	1,311,527
Endowed fund 95,016 M7G Securities Charifund Income Units	-	-
<b>Total investments</b>	<b>1,421,562</b>	<b>1,311,527</b>
<b>Freehold Land (at market value)</b>		
<b>Pasture Land</b>	-	-
7.32 Acres - Great Town Carr	-	-
2.85 Acres - Little Town Carr	-	-
1.90 Acres - West Town Tindales	-	-
2.40 Acres - East Town Tindales	-	-
2.76 Acres - Town Meadow	-	-
0.25 Acres - East Town Tindales Allotments	70,000	70,000
<b>Arable Land</b>	-	-
5.98 Acres - Bressingham	-	-
8.47 Acres - Town Piece	125,000	125,000
4.29 Acres - Middle Town Piece	-	-
<b>Allotments</b>	-	-
1.72 Acres - Mill Close	50,000	50,000
	<b>245,000</b>	<b>245,000</b>
	<b>1,666,562</b>	<b>1,556,527</b>

### 10. Debtors

	2021 £	2020 £
<b>Due within one year</b>		
Hempnall Trust	564	-
	<b>564</b>	<b>-</b>



**THE CHURCH AND TOWN ESTATE PROPERTY CHARITY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**11. Current asset investments**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Fixed term deposit	-	16,431

**12. Creditors: Amounts falling due within one year**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Accruals	1,110	1,088
Related charities	1,760	4,786
	<b>2,870</b>	<b>5,874</b>

**13. Statement of funds**

**Statement of funds - current year**

	<b>Balance at 1 January 2021 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Gains/ (Losses) £</b>	<b>Balance at 31 December 2021 £</b>
<b>Endowment funds</b>					
Endowment Fund	1,572,962	42,452	(42,452)	93,604	1,666,566

**Statement of funds - prior year**

	<b>Balance at 1 January 2020 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Gains/ (Losses) £</b>	<b>Balance at 31 December 2020 £</b>
<b>Endowment funds</b>					
Endowment Funds - all funds	1,839,357	67,822	(67,822)	(266,395)	1,572,962

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THE CHURCH AND TOWN ESTATE PROPERTY CHARITY

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

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14. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Endowment funds 2021 £	Total funds 2021 £
Fixed asset investments	1,666,562	1,666,562
Current assets	2,874	2,874
Creditors due within one year	(2,870)	(2,870)
<b>Total</b>	<b>1,666,566</b>	<b>1,666,566</b>

Analysis of net assets between funds - prior year

	Endowment funds 2020 £	Total funds 2020 £
Fixed asset investments	1,556,527	1,556,527
Current assets	22,309	22,309
Creditors due within one year	(5,874)	(5,874)
<b>Total</b>	<b>1,572,962</b>	<b>1,572,962</b>

15. Related party transactions

Room rental for trustee meetings amounting to £1,000 (2020: £1,000) was paid to the Mill Bar Company Ltd, a subsidiary of The Hempnall Trust (note 4).