

CORNWALL HISTORIC CHURCHES TRUST
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2021

Charity No: 218340

CORNWALL HISTORIC CHURCHES TRUST

CONTENTS

	Page
Reference and administrative information	3
Report of the trustees	4 - 7
Independent examiner's report	8
Statement of financial activities	9 - 10
Balance sheet	11
Notes to the accounts	12 - 14

CORNWALL HISTORIC CHURCHES TRUST

REFERENCE AND ADMINISTRATIVE INFORMATION

Patron

HRH The Duke of Cornwall

President

The Lord Lieutenant of Cornwall, Colonel E T Bolitho OBE

Vice President

The Bishop of Truro, The Rt Revd Philip Mounstephen

Honorary Life Presidents:

The Right Hon Viscount Falmouth

Trustees, Executive Committee Members and Officers:

Trustees

Mrs Caroline Tetley
Mrs Susie Gore
Mr Charles Hall
Dr Joanna Mattingly
Mrs Dorothy Scott

Chairman, Trustee
Trustee
Trustee
Trustee
Trustee (until 4th February 2021)

Executive Committee Members and Officers

Mrs Willa Bailey
Revd Margaret Barnes
Mrs Cecilia Bisson
Mrs Alexandra Bolitho
The Venerable Paul Bryer

Methodist Representative

The Hon Christopher Clark QC
Mr Simon Coy OBE
Mrs Christine Edwards MBE DL
The Venerable Audrey Elkington

Archdeacon of Cornwall (until 19th October 2021)

Mrs Chrissie Hogg
Rt Revd Graham James (appointed 9th December 2021)
Mrs Jill Jobson
Mr James Kitson
Mr Andrew Langdon
Mrs Elizabeth Meldon-Smith (appointed 20th December 2021)
Mrs Kirstie Newton
Mr David Purser
Mrs Libby Reed
Mr Jeremy Sharp
Mrs Emma Thompson (resigned 23rd September 2021)
Mrs Ruth Trinick
Mrs Katharine Willis

Archdeacon of Bodmin (until 4th February 2021)
Secretary

Membership/ Friends Secretary
Grants Secretary

Treasurer

Charity Registration No **Secretary**

218340

Mrs Chrissie Hogg

Principal Address

Orchard House, Degibna Lane, Higher Pentire, Helston, TR12 7PR

Website/ Email address

www.chct.info; secretary@chct.info

Independent Examiners

Francis Clark LLP, Lowin House, Tregolls Road, Truro, TR1 2NA

Bankers

Barclays Bank plc, 14 King Street, Truro, TR1 2RB

CORNWALL HISTORIC CHURCHES TRUST

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees present their report and the financial statements for the year ended 31 December 2021. The financial statements have been prepared on the accruals basis and comply with the charity's trust deed and applicable law.

Structure, Governance and Management

The Cornwall Historic Churches Trust is constituted under a trust deed dated 29 March 1955 and is a registered charity no. 218340.

The trustees who have served during the year are set out on page 1. The power to appoint new trustees is vested on The Lord Lieutenant for Cornwall and The Lord Bishop of Truro.

Relationship between Trustees and Committee

As permitted under the Trust Deed, the Trustees have delegated without restriction their functions to an Executive Committee. A nucleus of members of this Committee are also Trustees: it is this smaller group that, on behalf of all Trustees, makes or changes investment decisions. The Trustees may at their discretion remove any member of any committee or dissolve the committee. On behalf of the Trustees the appointment of committee members is dealt with by the Chairman (of the Trustees and of the Committee) consulting and seeking the approval of the President and the Vice-President.

Objectives and Activities

Under the terms of the trust deed, the trustees are to apply the income and capital of the charity for all or any of the following charitable purposes, namely:

"the preservation, repair, maintenance, improvement, upkeep, beautification and reconstruction of churches in Cornwall and of monuments, fittings, fixtures, stained glass, furniture, ornaments and chattels in such churches and of churchyard belonging to any such churches".

In planning the activities for the year the trustees kept in mind the Charity Commission's guidance on public benefit at our trustee meetings.

Grant making policy

In exercising their executive functions for deciding the use to be made of the Trust Funds, the Committee members have, over the years established certain basic principles within which they operate. A small amount of the Trust Fund would be used to generate further income however, the bulk of the expenditure is to provide grants to church communities for the purposes set out in the objects clause above. Factors taken into account when the amount of a grant is being determined include –

1. Age of the church or chapel.
2. Merit of the building architecturally or historically.
3. The church's own efforts in two respects – endeavour to help itself and participation in this Trust's annual sponsored event.
4. Financial need.
5. The church's own financial resources.
6. Exceptional reasons.

CORNWALL HISTORIC CHURCHES TRUST

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

Chairman's Report / Achievements and Performance

It wasn't until September, at our annual meeting, that we met in person for the first time since the start of the pandemic. There was a larger-than-usual turn out, and all that were present were riveted by Professor Nigel Saul's talk. Nigel continued our historical timeline, this time focusing on the Perpendicular period. He drew an interesting parallel between now and then, saying that during the 14th century, when the plague was ripping through the population, the local parishioners must have felt similarly to the way that we all have over the past two years. Interesting too that despite losing up to two-thirds of the population, church building during that period was extensive, particularly in Cornwall.

Today, having seen how easily services migrated to Zoom, it is perhaps tempting to see bricks-and-mortar churches as superfluous. But that perspective completely overlooks the importance of these buildings to the communities they serve. To many people, churches are the embodiment of the community, symbolising the faith and fortitude of past generations. They provide a sense of belonging that cannot be replaced by a screen, a crucial link with those who have gone before, and an inspiration for the future.

Our sponsors have been unfailing in their support, and without their involvement we would not be able to offer the meaningful help that we do. They all share the same belief that our churches represent our local history and heritage; something that we cannot allow to be lost. Despite the inevitable decline in worshippers, and therefore in church income, many parishes have come up with innovative ways to adapt their buildings to accommodate 21st century needs.

For example, Constantine has set up a very successful internet café in the church; St Mellanus has installed Wi-Fi in the church with the express purpose of running courses to teach those unfamiliar with online technology how to order groceries or book appointments; and St Mylor and All Saints have started a 'Grow it Forward' project, providing plants for local parishioners.

We have been hearing much in the news about the increased rate of church closures throughout the UK, but I'm happy to say that here in Cornwall no new applications for closure have been received by the Diocese during 2021. In fact, this past year, we awarded a grant to the Catholic Church in Penzance to expand its premises by building a new aisle with a much-needed parish room below.

Very sadly our hopes to hold the 2021 Christmas party were dashed in the week before Christmas when it became very apparent, with the latest Covid variant sweeping the country, that we could not proceed. I would like to thank both Savills and Caroline and Richard Williams who, until the last, were ready to go ahead if circumstances permitted.

We were sad to say farewell to Archdeacon Audrey Elkington, who retired from the committee in February. Audrey was an active committee member and one who we often referred to for insights and advice. Happily, this void has been filled by Revd Graham James, who we were pleased to welcome to the committee. Graham, who was Bishop of Norwich until his retirement, had previously been Bishop of St Germans, so he is more than familiar with our Cornish churches. Elizabeth Meldon-Smith also joined us and takes over from Emma Thompson as representative of the St Austell area. Emma and Dolly Scott stepped down from the main committee, but both continue to help from the side-lines.

My thanks to Kirstie Newton who continues to shine a spotlight on Cornish Churches in the media. During her time at the *Voice*, she regularly featured Cornish churches, and now as editor of *My Cornwall* she continues to promote the work of the Trust.

As my time as chairman reaches its conclusion, I look forward to handing over to Cecilia Bisson, who has done pivotal work for the Trust over the past three years. I would like to thank all on the committee who have worked so hard for the Trust, and also a heartfelt thank-you to both our president and vice president who have offered their help and guidance so generously.

CORNWALL HISTORIC CHURCHES TRUST

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

Financial Review

This year's accounts have again been prepared on an accruals basis. In essence all income and expenditure represents the total of each on a yearly basis, rather than when the money is received or expended. This has also meant that grants approved but not paid are included as creditors in the accounts.

In the Statement of Financial Activities we account for grants approved rather than paid, with £42,500 being approved this year (before grants withdrawn). Gains on investments of £23,980 are also included, being the increase in the quoted value of the shares during the year. Total income received has decreased from £88,438 to £73,575. This is largely attributed to a decrease in donations and grants which totalled £51,953 compared to £68,254 in the prior year and included funeral donations of value £350. Similarly, administration expenses have also reduced in the year.

Our cash on deposit has been maintained at £30,039. Due to a larger level of grants approved and some instalments paid in the year, grant liabilities in the current account have increased to £55,350 (£47,200 in 2020). Administration costs decreased to £4,252 from £6,476. This is mainly due to website development expenditure incurred in the prior year.

Before the gain on investments and transfers between funds, the Statement of Financial Activities shows a net inflow of funds of £24,797, decreasing from £41,926. Due to the upturn in the economy since the pandemic hit, the gain on investments totalled £23,980.

Reserves policy

Following the guidance issued by the Charity Commission, the trustees have formally adopted with effect from 1 January 2001, the following policy:

Unlike many charities, the Cornwall Historic Churches Trust has no large permanent endowment.

It is necessary therefore for the Trust to hold a capital reserve fund for the following reasons:

- (1) The income from the investment capital is now our major source of annual income typically amounting to some 20% of the sum. Fundraising is becoming increasingly difficult and the investment income is now heavily relied upon as the source of our grants.
- (2) The Trust has been fortunate in the past to have had some substantial donations which help the grant-giving but this is in no way guaranteed and is unlikely to recur so regularly in the future.
- (3) As well as inflation in building costs, the grants from sources such as English Heritage/Lottery for church repairs are reducing and it will be necessary to give larger grants from this Trust to help future church restoration and repair costs.
- (4) The applications for grants fluctuate and do not arise in an even pattern. Having investment reserves means that investment capital can, in certain circumstances, be called upon if there happens to be an unusual run of applications justifying substantial grants.
- (5) As applications fluctuate the availability of investment capital provides a cushion to maintain an even and logical flow of grant-giving, even if the Trust's annual income is exceeded. To vary the rate of grant-giving up or down substantially from year to year would introduce an unacceptable degree of unfairness between the beneficiaries.

CORNWALL HISTORIC CHURCHES TRUST

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

Conclusion

The Trustees have therefore determined that of the CHCT's capital

50% be designated a capital reserve; and

50% be considered an expendable reserve where there is power for the Trustees to convert this capital money into income.

Legacies policy

The policy adopted by the trustees in respect of legacies is as follows:

- (1) A legacy of £5,000 or more be treated as capital and added to the Trust's reserves.
- (2) Any legacy of less than £5,000 be considered by the Trustees with each case dealt with as the Trustees think appropriate at that time.
- (3) Any specific wish or intention expressed by the legator to be faithfully honoured by the Trustees even if there is an apparent conflict with the decisions set out in (1) and (2) above.

Trustees responsibilities in relation to the financial statements

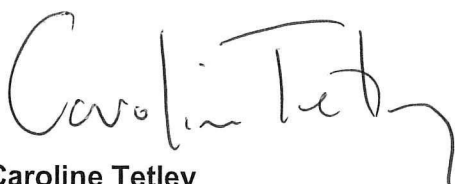
Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year.

In preparing those financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Make judgements that are reasonable and prudent
- State whether applicable accounting standards and statements of recommended practice have been followed subject to any departures disclosed and explained in the financial statements; and
- 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 accounting records which 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. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees and signed on their behalf by:



Caroline Tetley
Chairman

Date: 3 March 2022

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
CORNWALL HISTORIC CHURCHES TRUST
FOR THE YEAR ENDED 31 DECEMBER 2021**

I report to the trustees on my examination of the accounts of Cornwall Historic Churches Trust (the Trust) for the year ended 31 December 2021.

Responsibilities and basis of report

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

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

Independent examiner's statement

I have completed my examination. I can confirm that no material 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 Trust as required by section 130 of the 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:



Darren Perry
Chartered Accountant (ICAEW)
Francis Clark LLP
Lowin House
Tregolls Road
Truro
TR1 2NA

Date: 3 March 2022

**CORNWALL HISTORIC CHURCHES TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021**

		Restricted funds	Unrestricted funds		Income Fund	2021 Total	2020 Total
	Note	£	Designated Capital Reserve £	Designated Expendable Reserve £		£	£
Income and endowments from:							
Donations and legacies	2	5,000	-	-	46,953	51,953	68,254
Friends of Cornish Churches subscriptions	3	-	-	-	7,437	7,437	5,793
Fund raising events	4	-	-	-	1,350	1,350	3,009
Investment income	5	-	-	-	12,835	12,835	11,332
Miscellaneous income		-	-	-	-	-	50
Total income		5,000	-	-	68,575	73,575	88,438
Expenditure on:							
Cost of fund raising events	6	-	-	-	-	-	-
Grants approved less grants withdrawn		14,100	-	-	27,650	41,750	37,500
Investment management fee		-	-	-	2,776	2,776	2,536
Administration		-	-	-	4,252	4,252	6,476
Total expenditure		14,100	-	-	34,678	48,778	46,512
Net income/(expenditure)		(9,100)	-	-	33,897	24,797	41,926
Transfers between funds		-	-	33,897	(33,897)	-	-
Gains/(losses) on investment assets		-	11,990	11,990	-	23,980	(15,054)
Net movement in funds		(9,100)	11,990	45,887	-	48,777	26,872
Fund balances b/fwd at 01/01/2021		11,045	192,991	147,910	-	351,946	325,074
Fund balances c/fwd at 31/12/2021		1,945	204,981	193,797	-	400,723	351,946

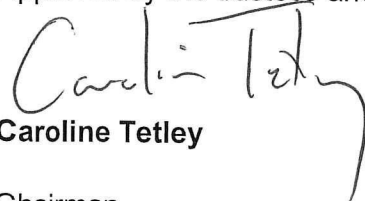
CORNWALL HISTORIC CHURCHES TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021

		Restricted funds	Unrestricted funds		Income Fund	2020 Total
			Designated Capital Reserve	Designated Expendable Reserve		
	Note	£	£	£		£
Income and endowments from:						
Donations and legacies	2	5,000	-	-	63,254	68,254
Friends of Cornish Churches subscriptions	3	-	-	-	5,793	5,793
Fund raising events	4	-	-	-	3,009	3,009
Investment income	5	-	-	-	11,332	11,332
Miscellaneous income					50	50
Total income		5,000	-	-	83,438	88,438
Expenditure on:						
Cost of fund raising events	6	-	-	-	-	-
Grants approved less grants withdrawn		1,000	-	-	36,500	37,500
Investment management fee		-	-	-	2,536	2,536
Administration		128	-	-	6,348	6,476
Total expenditure		1,128	-	-	45,384	46,512
Net income/(expenditure)		3,872	-	-	38,054	41,926
Transfers between funds		-	-	38,054	(38,054)	-
Gains/(losses) on investment assets		-	(7,527)	(7,527)	-	(15,054)
Net movement in funds		3,872	(7,527)	30,527	-	26,872
Fund balances b/fwd at 01/01/2020		7,173	200,518	117,383	-	325,074
Fund balances c/fwd at 31/12/2020		11,045	192,991	147,910	-	351,946

CORNWALL HISTORIC CHURCHES TRUST
BALANCE SHEET
AS AT 31 DECEMBER 2021

		2021 £	2020 £
Fixed Assets			
Investments	9	316,371	293,312
Current Assets			
Debtors		5,597	7,241
CBF Church of England Deposit Fund		30,039	30,039
Walker Crips capital account		-	1,221
Bank current account		109,064	70,196
		<u>144,700</u>	<u>108,697</u>
Current Liabilities			
Accruals and Deferred Income		4,878	2,719
Other Creditors		120	144
Grant Creditors		55,350	47,200
		<u>60,348</u>	<u>50,063</u>
Net Current Assets/(Liabilities)		84,352	58,634
Net Assets		<u><u>400,723</u></u>	<u><u>351,946</u></u>
Unrestricted Funds			
Designated Capital Reserve		204,981	192,991
General fund		193,797	147,910
Restricted funds - Tanner Trust, IT, communication, training		-	-
Restricted funds - Tanner Trust, fast track maintenance		-	9,100
Restricted funds - Emergency Funds		1,945	1,945
		<u><u>400,723</u></u>	<u><u>351,946</u></u>

Approved by the trustees and signed on their behalf by:


Caroline Tetley

Chairman

Date: 3 March 2022

CORNWALL HISTORIC CHURCHES TRUST
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1 Principal accounting policies

(a) **Accounting convention**

These accounts have been prepared in accordance with Accounting and Reporting by Charities Statement of Recommended Practice (SORP 2019 FRS102), the Financial Reporting Standard 102 and the Charities Act 2011.

(b) **Incoming resources**

Donations, legacies and other forms of voluntary income are recognised as incoming resources when receivable. Investment income is recognised on a receivable basis. Incoming resources for tax reclaims are included in the statement of financial activities at the same time as the gift to which they relate.

(c) **Resources expended**

Expenditure is included on an accruals basis.

(d) **Investments**

Investments are shown at open market value, with any unrealised gains or losses being recognised in the statement of financial activities.

(e) **Gift Aid recoverable**

Gift Aid recoverable is accounted for on an accruals basis.

2 Donations and legacies

	Restricted Fund £	Unrestricted funds £	Income Fund £	Total £	2020 £
Grants	5,000	-	35,000	40,000	50,000
Donations - Other	-	-	11,953	11,953	18,254
	<u>5,000</u>	<u>-</u>	<u>46,953</u>	<u>51,953</u>	<u>68,254</u>

3 Friends of Cornish Churches subscriptions

	Income Fund £	2020 £
Subscriptions	7,437	5,793
	<u>7,437</u>	<u>5,793</u>

**CORNWALL HISTORIC CHURCHES TRUST
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

4 Fund-raising events

	Income Fund £	2020 £
Summer entertaining	500	-
Cornwall Churches Day (Ride & Stride)	-	1,004
Christmas Drinks	-	2,005
Other	850	-
	<u>1,350</u>	<u>3,009</u>

Christmas Drinks ticket income of £2,169 has been deferred to next year due to the 2021 event being cancelled.

5 Investment income

	Income Fund £	2020 £
Interest	677	1,618
Dividends	12,158	9,714
	<u>12,835</u>	<u>11,332</u>

6 Cost of fund raising events

	Income Fund £	2020 £
Cornwall Churches Day (Ride & Stride)	-	-
Christmas Drinks Party	-	-
Summer lunch	-	-
	<u>-</u>	<u>-</u>

7 Independent examiners fee

During the year the Trust paid independent examination fees of £1,740. An accrual has been made for the 2021 independent examination fees of £1,800. During the year the trust also incurred £426 in accountancy expenses relating to Xero subscription fees and other matters.

8 Payments to trustees

No trustees, or any persons connected with them, received any remuneration or other benefits from the charity during the year. Trustees are only reimbursed for purchases made on behalf of the charity.

**CORNWALL HISTORIC CHURCHES TRUST
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

9	Investments	2021	2020
		£	£
	Market Value B/fwd	293,312	310,463
	Additions	17,044	92,772
	Disposals	(17,965)	(94,869)
	Change in Market Value	23,980	(15,054)
	Market Value C/fwd	<u>316,371</u>	<u>293,312</u>
		2021	2020
		£	£
	Cost of investments	<u>282,206</u>	<u>282,116</u>

10	Restricted funds	B/fwd	Income	Expenditure	C/fwd
		£	£	£	£
	Emergency Fund	1,945	-	-	1,945
	Tanner Trust - fast track maintenance	9,100	-	(9,100)	-
	Tanner Trust - church maintenance	-	5,000	(5,000)	-
		<u>11,045</u>	<u>5,000</u>	<u>(14,100)</u>	<u>1,945</u>

The restricted funds are all held in cash deposits. The Tanner Trust agreed that the historic fast track maintenance grant funds could be used for general grants this year.