

**THE FRIENDS OF ESSEX CHURCHES TRUST  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2020**

**Registered Charity Number: 236033**

**EDMUND CARR LLP**  
Chartered Accountants  
146 New London Road  
Chelmsford  
Essex  
CM2 0AW

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**THE FRIENDS OF ESSEX CHURCHES TRUST**

**TRUSTEES (THE EXECUTIVE COMMITTEE)**

**In office during 2020 or at 15 March 2021**

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<b>Chairman</b>	Mr J Beale	
<b>Vice-Chairman and Hon Secretary</b>	Mr M Stuchfield	
<b>Hon Treasurer</b>	Canon H Marsh	
<b>Other Trustees</b>	Mrs C Leeder	
	Mrs J Cole	to 7 September 2020
	Mrs R Grainger	
	Mr L Lepper	to 7 September 2020
	Mr D Lodge	to 7 September 2020
	Mr J Pickthorn	
	Mr J Bettley	appointed 7 September 2020
	Mrs G Jones	appointed 7 September 2020
	Mrs J Pimblett	appointed 7 September 2020

## **THE FRIENDS OF ESSEX CHURCHES TRUST**

### **OTHER OFFICIALS OF THE ASSOCIATION**

**YEAR ENDED 31 DECEMBER 2020**

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**Patrons** Mrs Jennifer Tolhurst, H M Lord-Lieutenant of Essex  
The Right Revd. Alan Williams, Bishop of Brentwood  
The Right Revd. Stephen Cottrell, Bishop of Chelmsford (to April 2020)

**President** The Right Revd. Thomas McMahon

**Holding Trustees** Mr J Beale  
Mr M Stuchfield  
Canon H Marsh

#### **Registered Office**

5 Vicarage Lane, Great Baddow, Chelmsford, CM2 8HY

#### **Charity Commission Registration Number**

236033

#### **Bankers**

Barclays Bank plc, 40-41 High Street, Chelmsford, CM1 1DE

Shawbrook Bank, Lutea House, Warley Hill Business Park, Brentwood CM13 3BE

Virgin Money, Jubilee House, Gosforth, Newcastle on Tyne, NE3 4PL

#### **Investment Manager**

M & G Securities Ltd, Laurence Pountney Hill, London, EC4R 0HH

#### **Independent Examiner**

Ray Crace FCA, Edmund Carr LLP, 146 New London Road, Chelmsford, Essex, CM2 0AW

## **THE FRIENDS OF ESSEX CHURCHES TRUST**

### **REPORT OF THE TRUSTEES**

#### **YEAR ENDED 31 DECEMBER 2020**

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The trustees present their report together with the financial statements for the year ended 31 December 2020 which have been the subject of an independent examination.

#### **OBJECTIVES AND ACTIVITIES**

The principal objects of the Trust are the promotion of public interest in the history of the Christian Churches in the area of the Diocese of Chelmsford and assisting in the preservation, repair and restoration of their fabric, through grant giving. From January 2015 grants are also made for work to improve church buildings.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities.

#### **Grant making policy**

The charity invites applications for the funding of repair and restoration projects, and from 2015 also for improvements to churches. Applications are reviewed against specific criteria by the Grants Committee which meets quarterly. Grants are allocated based on the highest priority and the funds available.

In September 2019 the Trust received a grant of £20,000 from Allchurches Trust Limited to help fund the cost of alarms/protection systems for roofs of churches in the Diocese of Chelmsford. Initially this is for the period to 31 May 2021 and applications will be handled by the Grants Committee. Half the cost of a roof alarm will be funded, up to £2,500 and our Trust will add grants of up to £2,000 to assist with installation costs. One grant of £2,500 was paid in 2020.

#### **ACHIEVEMENTS AND PERFORMANCE**

The 2020 grant allocations for maintenance and improvements were £147,850 (2019: £166,000). Grants were offered to a total of 22 Churches and ranged in amount from £1,500 to £12,500. Grant cheques of £165,000 (2019 - £105,500) were paid in the year for completed projects. During 2020 the total grant allocations included £39,000 for improvements to 5 churches.

#### **FINANCIAL REVIEW**

The accounts for the financial year ended 31 December 2020 are set out on pages 7 to 13. The Statement of Financial Activities and the Balance Sheet, together with the accompanying notes, provide a detailed review of the charity's performance for the year.

Even though a large legacy was received during 2020 our total income received reduced from £193,961 in 2019 to £145,657, both figures including the gross receipts from the Ride+Stride event. Support expenditure remained low.

During a normal year a number of fundraising events are held at which volunteers provide support. These events, of which a principal one is Ride+Stride, have generated income in 2020 of only £23,994, and the trustees hope that this level of income will be increased to former levels again after the end of the pandemic. Of the money raised by Ride+Stride approx 50%, net of gift aid, is returned to the participating churches and this figure is shown in the notes.

## **THE FRIENDS OF ESSEX CHURCHES TRUST**

### **REPORT OF THE TRUSTEES (*Continued*)**

#### **YEAR ENDED 31 DECEMBER 2020**

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##### **Investment Policy**

There are no restrictions on the charity's power to invest. The investment strategy is set by the trustees and takes account of recent demand for funds and the grant making policy set out above. Since 2014 the only stock investment has been in M&G Charifund income units. After earlier realisations in previous years £40,000 fresh investment was made in 2020. The performance of this investment will continue to be monitored by the Trustees.

##### **Reserves Policy**

It is the policy of the charity to maintain unrestricted reserves at a level consistent with enabling the charity to provide sufficient funds to meet the agreed grants allocation for the year plus expected outgoings and a provision for contingencies.

The agreed grants allocation for the year will be constrained by the previous year's income less expected outgoings plus any reduction in reserves adopted by the Committee from time to time.

The reserves policy is reviewed annually and a range of options consistent with prudent investment policy considered.

The trustees consider the current level of reserves is just enough to meet this policy.

#### **STRUCTURE GOVERNANCE AND MANAGEMENT**

The Friends of Essex Churches Trust is registered as a charity with the Charity Commission. The affairs of the Trust are governed by its Constitution which was originally adopted on 29 January 1983 as amended most recently on 13 May 2015.

##### **Trustees**

The trustees of the Trust both during 2020 and at the date of signature are set out on page 1. The Executive Committee (trustees) consists of the honorary officers and not less than 5 and not more than 11 members elected at the annual general meeting, who hold office from the conclusion of that meeting.

The honorary officers, being the Chairman, Vice-Chairman, Secretary and Treasurer, are elected by the members from amongst themselves at the annual general meeting.

Other Executive Committee members are nominated by members of the Charity in writing to the Secretary of the Executive Committee at least 14 days before the annual general meeting. Should nominations exceed vacancies, elections are by ballot.

When a new trustee is appointed appropriate training and induction are provided.

## THE FRIENDS OF ESSEX CHURCHES TRUST

### REPORT OF THE TRUSTEES (*Continued*)

YEAR ENDED 31 DECEMBER 2020

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#### Trustees' Responsibilities

The trustees 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).

The trustees are responsible for keeping accounting records that disclose with reasonable accuracy the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### Independent Examiner

Following the trustees' decision in 2015 to move to an independent examination, Ray Crace FCA of Edmund Carr LLP was appointed as Independent Examiner. Mr Crace has expressed his willingness to continue in office and a resolution to re-appoint him will be proposed at the annual general meeting.

The accounts (financial statements) have been prepared in accordance with the statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The accounts (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 Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Approved by the trustees on .....15/3/2021..... and signed on their behalf by:



H A Marsh

Hon Treasurer



J Beale

Chairman

## THE FRIENDS OF ESSEX CHURCHES TRUST

### INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

#### YEAR ENDED 31 DECEMBER 2020

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I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2020, which are set out on pages 7 to 13.

#### **Responsibilities and basis of report**

As the charity's trustees 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 charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all 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 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 charity 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.



R Crace FCA

146 New London Road  
Chelmsford  
Essex  
CM2 0AW





**THE FRIENDS OF ESSEX CHURCHES TRUST**

**STATEMENT OF FINANCIAL ACTIVITIES**

**YEAR ENDED 31 DECEMBER 2020**

	Note	Unrestricted 2020 £	Restricted 2020 £	Total Funds 2020 £	Total Funds 2019 £
<b>Income from:</b>					
Grants, donations and subscriptions	2	27,416	-	27,416	56,890
Legacies		85,564	-	85,564	62,460
Fundraising activities	3	23,994	-	23,994	63,261
Investment income	4	8,683	-	8,683	11,350
<b>Total income</b>		<u>145,657</u>	<u>-</u>	<u>145,657</u>	<u>193,961</u>
<b>Expenditure on:</b>					
Fundraising activities	5	9,974	-	9,974	25,449
Charitable activities	6	151,163	2,500	153,663	169,775
<b>Total expenditure</b>		<u>161,137</u>	<u>2,500</u>	<u>163,637</u>	<u>195,224</u>
<b>Net (losses)/gains on investments</b>	8	( 20,504)	-	( 20,504)	25,768
<b>Net (expenditure)/income / Net movement in funds</b>		<u>( 35,984)</u>	<u>( 2,500)</u>	<u>( 38,484)</u>	<u>24,505</u>
<b>Reconciliation of funds</b>					
Total funds brought forward		324,307	20,000	344,307	319,802
<b>Total funds carried forward</b>		<u>288,323</u>	<u>17,500</u>	<u>305,823</u>	<u>344,307</u>

The charity has no recognised gains or losses other than the results for the year as set out above.

All expenditure in 2019 was unrestricted.

The notes on pages 9 to 13 form part of these financial statements.

**THE FRIENDS OF ESSEX CHURCHES TRUST**

**BALANCE SHEET**

**AS AT 31 DECEMBER 2020**

	Note	2020 £	2019 £
<b>FIXED ASSETS</b>			
Investments	8	163,394	143,898
<b>CURRENT ASSETS</b>			
Debtors	9	2,630	555
Cash at bank	10	303,269	381,414
		<u>305,899</u>	<u>381,969</u>
<b>CREDITORS: Amounts falling due within one year</b>	11	<u>163,470</u>	<u>181,560</u>
<b>NET CURRENT ASSETS/ LIABILITIES</b>		142,429	200,409
<b>NET ASSETS</b>		<u>305,823</u>	<u>344,307</u>
<b>FUNDS OF THE CHARITY</b>			
Unrestricted General Fund		288,323	324,307
Restricted Funds	12	17,500	20,000
<b>TOTAL CHARITY FUNDS</b>		<u>305,823</u>	<u>344,307</u>

Approved by the Trustees on 15/3/2021 and signed on their behalf by:



**H A Marsh**  
Hon Treasurer



**J Beale**  
Chairman

The notes on pages 9 to 13 form part of these financial statements.

**THE FRIENDS OF ESSEX CHURCHES TRUST**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2020**

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**1. Accounting Policies**

**Basis of accounting**

The accounts (financial statements) have been prepared in accordance with the statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (SORP 2019) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The accounts (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 SORP 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

**General Information**

The Friends of Essex Churches Trust is an unincorporated charity which meets the definition of a public benefit entity under FRS 102. The registered office is 5 Vicarage Lane, Great Baddow, Chelmsford, CM2 8HY.

**Branches**

The committee consider the overall activities of branches to be immaterial and account for them on a net income received basis.

**Fundraising activities**

The committee consider directly attributable expenditure on fundraising activities to be material, therefore income is accounted for gross of expenditure. The return payments to local Churches are shown as outgoings.

**Income and expenditure**

All income and expenditure is recognised once there is a legal or constructive obligation to that income/ expenditure, it is probable that settlement is required and the amount can be measured reliably.

**Legacies received**

Legacies are accounted for when receivable as long as they are capable of financial measurement.

**Investment Income**

Investment income is accounted for on a received basis.

**Interest on bank deposits**

Interest is accounted for on an accruals basis.

**Grants Payable**

Grants payable are recognised as expenditure when the grant is allocated.

**Debtors and Creditors**

Trade and other debtors are recognised at the settlement amount due. Creditors are recognised at their settlement amount.

## THE FRIENDS OF ESSEX CHURCHES TRUST

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS *(Continued)*

#### YEAR ENDED 31 DECEMBER 2020

##### **Fund accounting**

Unrestricted general funds - these are funds which can be used in accordance with the charitable object at the discretion of the trustees. All funds received in 2020 were unrestricted. In 2019 one restricted grant was received.

Restricted funds - these are funds that can only be used for particular restricted purposes within the objects of the charity.

##### **Taxation**

As the Trust is a charity, it is exempt from taxation - other than VAT, which is included in the relevant costs in the Statement of Financial Activities - to the extent that any income and gains are applied to its charitable objectives.

#### **2. Donations and Subscriptions**

	Unrestricted 2020 £	Restricted 2020 £	Total Funds 2020 £	Total Funds 2019 £
Donations and subscriptions	24,545	-	24,545	34,296
Gift Aid	2,871	-	2,871	2,594
Grant from Allchurches Trust (restricted)	-	-	-	20,000
	<u>27,416</u>	<u>-</u>	<u>27,416</u>	<u>56,890</u>

#### **3. Income from Fundraising Activities**

	Unrestricted 2020 £	Restricted 2020 £	Total Funds 2020 £	Total Funds 2019 £
Ride+Stride - Donations	12,141	-	12,141	30,035
- Gift Aid	885	-	885	3,898
Other Events - Donations & Charges	10,968	-	10,968	28,929
- Gift aid	-	-	-	399
	<u>23,994</u>	<u>-</u>	<u>23,994</u>	<u>63,261</u>

#### **4. Investment Income**

	Unrestricted 2020 £	Restricted 2020 £	Total Funds 2020 £	Total Funds 2019 £
Dividends received	6,930	-	6,930	9,292
Interest receivable	1,753	-	1,753	2,058
	<u>8,683</u>	<u>-</u>	<u>8,683</u>	<u>11,350</u>

**THE FRIENDS OF ESSEX CHURCHES TRUST**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Continued)**  
**YEAR ENDED 31 DECEMBER 2020**

**5. Expenditure on Fundraising Activities**

	Unrestricted 2020 £	Restricted 2020 £	Total Funds 2020 £	Total Funds 2019 £
Ride+Stride - Expenses	50	-	50	94
- Returned to sponsoring Churches	5,541	-	5,541	14,632
Other Event expenses	4,383	-	4,383	10,723
	<u>9,974</u>	<u>-</u>	<u>9,974</u>	<u>25,449</u>

**6. Charitable Activities**

	Unrestricted 2020 £	Restricted 2020 £	Total Funds 2020 £	Total Funds 2019 £
Maintenance Grants awarded 17 (2019: 20)	108,850	-	108,850	136,000
Improvement Grants awarded 5 (2019: 3)	39,000	-	39,000	30,000
Grants released	(1,000)	-	(1,000)	-
Grants for gutter clearance	100	-	100	250
	<u>146,950</u>	<u>-</u>	<u>146,950</u>	<u>166,250</u>
Installation of roof alarm	-	2,500	2,500	-
Promotion of public interest in churches	2,149	-	2,149	1,550
Governance and support costs (note 7)	2,064	-	2,064	1,975
	<u>151,163</u>	<u>2,500</u>	<u>153,663</u>	<u>169,775</u>

No grants awarded in 2020 exceeded £15,000 (2019: Nil)

**7. Governance and Support Costs**

	Unrestricted 2020 £	Restricted 2020 £	Total Funds 2020 £	Total Funds 2019 £
Independent examiner's fee	1,620	-	1,620	1,560
Other administration costs	444	-	444	415
	<u>2,064</u>	<u>-</u>	<u>2,064</u>	<u>1,975</u>

**8. Investments**

	2020 £	2019 £
Market value at 1 January	143,898	180,353
Additional investments	40,000	-
Disposal proceeds	-	(62,223)
Realised gain on investments	-	5,263
Unrealised (loss)/gain on investments	(20,504)	20,505
Market value at 31 December	<u>163,394</u>	<u>143,898</u>
Historical cost at 31 December	<u>165,768</u>	<u>125,768</u>

All investments are held in M&G Charifund Income units.

**THE FRIENDS OF ESSEX CHURCHES TRUST**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Continued)**

**YEAR ENDED 31 DECEMBER 2020**

**9. Debtors**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Gift Aid recoverable	2,321	124
Interest accrued	309	431
	<u>2,630</u>	<u>555</u>

**10. Cash At Bank**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Current</b>		
Barclays - 5 various accounts for each section	53,269	77,056
<b>Deposit</b>		
Barclays - easy access	80,000	19,358
Virgin Money - easy access	85,000	200,000
Shawbrook - 12 months fixed deposit	85,000	85,000
	<u>303,269</u>	<u>381,414</u>

**11. Creditors: amounts falling due within one year**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Outstanding obligations for grants	161,850	180,000
Accruals	1,620	1,560
	<u>163,470</u>	<u>181,560</u>

**12. Restricted Funds**

	<b>Balance at 01/01/2020</b>	<b>Incoming Resources</b>	<b>Outgoing Resources</b>	<b>Balance at 31/12/2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Allchurches Trust	<u>20,000</u>	<u>-</u>	<u>2,500</u>	<u>17,500</u>

The Allchurches Trust provided a grant to assist in carrying out the project of encouraging Churches to install roof alarm systems in order to prevent or minimise the theft of lead from churches' roofs. Only one grant was claimed in 2020 and that was paid in full.

**THE FRIENDS OF ESSEX CHURCHES TRUST**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Continued)**  
**YEAR ENDED 31 DECEMBER 2020**

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**13. Analysis of Net Assets between Funds**

	<b>Investments</b>	<b>Other Net Assets</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Restricted funds	-	17,500	17,500
Unrestricted funds	163,394	124,929	288,323
	<u>163,394</u>	<u>142,429</u>	<u>305,823</u>

**14. Trustees Remuneration/ Related Party Transactions**

No trustees or connected persons received any remuneration or personal expenses either directly or indirectly (2019: nil).

There were no related party transactions during the financial year (2019: nil).

