

Saint Andrew's Church Estate including the Charity of Sir William Blackett the Younger

Report and Financial Statements

Year ended 31 December 2023

Legal and Administrative Information

Constitution

The Saint Andrew's Church Estate including the Charity of Sir William Blackett the Younger is a charitable trust governed by its Trust Deed. It is a registered charity no 244047.

Trustees

The Trustees who served during the year were:

Revd Michael Hills
Mrs Rosemary Hall
Mrs Barbara Porter

Offices

St Andrew's Church
Newgate Street
Newcastle upon Tyne
NE1 5SS

Bankers

Lloyds
102 Grey Street
Newcastle upon Tyne
NE99 1SL

Investment Advisors

Brewin Dolphin
Time Central
Gallowgate
Newcastle upon Tyne
NE1 4SR

Solicitors

Nicholson and Morgan
14 Belle Villas
City Centre
Ponteland
Newcastle upon Tyne
NE20 9BE

Trustees' Report

for the year ended 31 December 2023

Trust

The Trust was established by a Trust Deed dated 7 April 1702 and was registered with the Charities Commission on 21 April 1967.

Charitable Objects of the Trust

The Trust's charitable objectives are:

- a) The upkeep and maintenance of St Andrew's Church,
- b) The maintenance of services in the Church, and subsidiary thereto,
- c) The advancement of the religious and other charitable work of the Church of England in the Ecclesiastical Parish of the Church of St. Andrew, Newgate Street, Newcastle upon Tyne.

The Charity aims to satisfy its objects and demonstrates its public benefit through the above three main areas of charitable activity. When considering its proposed plans of activity and preparing this report, the Trustees have considered the Charity Commission's guidance on public benefit.

Structure, Governance and Management

- (1) The Trustees meet at least quarterly and make all decisions regarding investments and expenditure.
- (2) The Trustees have delegated the day-to-day management of the rental of the Trust's properties to George F White incorporating Johnson Tucker LLP.
- (3) The Trustees have delegated the day-to-day management of the Trust's investments to Brewin Dolphin.
- (4) Trustees are appointed by the existing Trustees pursuant to the provisions of the Trust Deed. New Trustees are found from the contacts and personal knowledge of existing Trustees. The aim of the Trustees in making appointments is to have a range of skills qualifications and experience suited to achieving the objects of the Trust as set out in the Trust Deed.
- (5) On appointment, Trustees are provided with a copy of the Trust Deed, the most recent financial statements and investment reports and minutes of Trustees meetings. The experience of the persons appointed usually means that they have a good understanding of the responsibilities of a charity trustee, but where necessary guidance is available from the Trust's solicitors. Relevant Charity Commission publications are also available to the Trustees.

Due to the residual pandemic related aftermath there were two face to face Trustees meetings of the Trust during the year. Once again, our investments advisor communicated via email and telephone conversations. Meetings were always minuted by the secretary. The meetings were attended by the Trustees and by professional advisors when they were required. The Trustees were regularly in contact with each other during the year in their roles as Vicar and Churchwardens. The Trustees receive no remuneration for attendance at meetings or for all the work they perform as Trustees.

Risk Management

The Trustees have considered any risks to which the Trust might be exposed and are satisfied that the administrative investment and financial procedures which are in place minimise the risk of any loss to the Trust. The position is reviewed regularly by the Trustees.

Trustees' Report

for the year ended 31 December 2023

Review of Activities and Performance

Once again, we had two churchwardens in place as Trustees. One churchwarden remained in the 'vulnerable' category (as described by NHS/PHE) sustaining minor health issues, together with the vicar, which slowed the pace of progress but did not significantly impede it. Although this clearly affected how we were able to meet as Trustees, it did not affect output for this period.

Our continued response.

- i. **Treasurer**
Michelle Small, as per last year, has provided regular updates, when working practices elsewhere in the City were far from uniform – there being many offices in this location either working from home, working reduced hours, or part-time and variable routines. Consequently, we too are scoping whether it might be efficient and/or prudent for us to do likewise.
- ii. **George F White incorporating Johnson Tucker**
Gary Robinson has, as ever, been efficient, productive and tenacious this year. Once again liaising shrewdly with all stakeholders and trustees to offer regular and helpful advice throughout this consistently challenging period of our history, his combination of sound judgement and diplomacy has secured respectable financial benefits for the Trust again this year, for which we are very grateful.
- iii. **Brewin Dolphin**
Anna McCready, CFA has also been a valued source of encouragement and advice throughout this period, ensuring that our investments were appropriately monitored, and good governance achieved.
- iv. **Liability Insurance for Trustees**
After taking advice this was successfully set up in 2022 and will continue each year so that all existing trustees remain suitably protected.
- v. **Strategy regarding rental properties**
The tenants were still operating in a variety of circumstances, so this year we continued our developed practice of last year with bespoke responses. We maintained that it was still both fair and indeed the Christian response to undertake regular dialogue with each tenant, so that no party was unnecessarily disadvantaged. The strategy of kindness and good practice developed over the past two years has reaped both pastoral and financial reward as all tenants now offer full rent. Good news for all concerned.
This stance of ethical dignity still remains a necessary leit-motif.

Financial review

The Trustees were grateful for the financial investment advice received from Anna McCready, Brewin Dolphin. The income for the Trust during the year amounted to £2252,910 and expenditure totalled £211,369. The market value of listed investments increased to £627,745.

Investment policy and performance

The Trust is dependent solely on income from its investments to fulfil its objects. The Trustees' investment objective is therefore to maintain and enhance the value of the fixed assets and investments over the long term in order to maintain and if possible increase the income available for the purposes of the Trust. Investments and projected income are reviewed quarterly and performance compared with appropriate indices. Taking into account the effects of the economic and financial crisis and in particular the problems in the banking sector, investment performance has been satisfactory. We have retained a risk category of 5 which is diversified risk portfolio.

Trustees' Report

for the year ended 31 December 2023

Reserves policy

Reserves which represent the balance of unrestricted funds which as at 31 December 2022 was £3,529,037. It is the policy of the Trustees to retain sufficient reserves, subject to fluctuation in the value of the investments to ensure that in the event of a significant reduction in income the Trustees could at least maintain the regular expenditure. The Trustees have taken into account the current level of yield on investments, market volatility and the economic outlook.

Future Plans and conclusion

Porch

As reported last year: The Jubilee Chapel (colloquially described as the 'priest porch') continues to cause concern as the issue of water ingress persists, to the point where it became prudent stewardship to ask our architect to inspect once again. Since last year's report no practical progress has been made to date. English Heritage support our collective concern regarding this section of the church building. The architect is preparing a scheme of work (together with the necessary corresponding faculty application) and will project manage at the earliest opportunity.

Music and Liturgy

Our relationship with Newcastle University (music department) has continued to progress. Vocal scholars managed to deliver traditional 'Compline' again for both Advent and Lent. Once again, recordings were circulated to reach those who were vulnerable and isolated. They were also able to sing throughout term time and during Holy Week. Offering 'Sung Matins' (BCP) has established a unique liturgical footprint during term time, attracting a growing and gathered congregation, which also stimulates the musicians. Building on last year's hosting, we further increased our hosting capacity for a variety of NU seasonal concerts, which are thankfully gaining momentum, as predicted, in both style and number. Next year, for example, we shall support individual recital programmes and develop a relationships with the operatic department to deliver 'The Fairy Queen' (Purcell) in church. This has great potential for further development as all parties remain positive and keen to progress.

Building on these firm foundations, the organ scholarship we were hoping for has materialised this year, with a first year organ scholar arriving in the September term who will potentially stay with us for three years, thus providing our much desired continuity of output, and a manageable direction for development. It has already deepened local outreach (mission) and fostered wider partnerships within the musical community.

The ideal aspiration for the choir is to 'double up' as soon as possible (i.e. so that the existing SATB configuration becomes SSAATTBB). This will result in the singing parts being less 'exposed' and allow the conductor to deliver a more comprehensive repertoire with increased flexibility and capacity.

In addition, we have reached out to the university technical department, to determine how best to record the concerts and services. There are a number of reasons for pursuing this trajectory – the most obvious being to create a tangible narrative, evidencing progress and output, which in turn will establish a degree of credibility when approaching outside funding streams. Eventually we shall build up a library of quality recordings for not only liturgical use, but as gifts or as fundraising potential.

We retain permission to describe ourselves as being 'in partnership' with Newcastle University. This language features on the NU Music Department website, who have accepted our 'vocal scholarship' overtures as being mutually beneficial. Our own Church websites are currently being refreshed to reflect these current needs and the organic nature of the city in which we are set.

Trustees' Report

for the year ended 31 December 2023

Conservation

As was the case last year, our Ward Councillor remains supportive of the plans to develop the grounds as 'an oasis of calm and healing.' We remain on the City Council radar, are still part of the metropolitan conversation, and will hopefully be able to add unique value to the city green spaces project(s) once the inertia created by the pandemic gives way to a new energy. The vicar is due to meet with the local biodiversity team in their scheduled meeting (spring 2024) to progress matters. After reaching out each year to Newcastle University (Ecology Department) their undergraduate and post-graduate students conduct supervised 'site surveys'. This year we deepened those undergraduate insights once again during the new season by attracting parish input. In practical terms there are a number of projects we can prosecute to add real value to the grounds. The caveat, as with all nature-based projects, is an element of trial and error. Nevertheless, in terms of 'next steps' our task is to approach other local stakeholders to encourage a sense of 'ownership' so that all planned improvements are successfully maintained. There are two key initiatives – Firstly, the Newcastle City Council 'Green Spaces' initiative. Secondly, the national 'Eco-Church' agenda, which is parented by 'A Rocha UK' and has awarded the church 'Bronze' status for our current contribution to these environmental issues. The award takes into account a wide range of topics, including boiler and water efficiency as well as conservation in the churchyard/grounds. The aspiration is to progress in all respects to achieve 'Silver' status in the coming year. The vision to enjoy, nurture and defend nature has been shared by the parish not only for developing stewardship of Creation, but also for the more subtle by-product of mental wellbeing, resilience and fellowship which occurs as a result of these activities. The journey continues.

Conclusion

Some challenges from the pandemic are still with us, although each month provides fresh hope. Progress remains slow but is nevertheless on firm foundations. Coronavirus continues to impact periodically, but less of a problem as the year has progressed.

Many thanks to all who have consistently supported the art of the possible, displayed a positive mindset, with generosity of spirit and tenacity 'in spades' once again. Consequently, as we continue to be adaptable and upbeat, I am happy to report that the future for us and the mission of the Trust still remains positive in all respects.

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 the incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material 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.

Trustees' Report

for the year ended 31 December 2023

The Trustees are responsible for keeping proper accounting records that 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 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.

Approved by the Trustees and signed on their behalf by:

M. J. Hills

Revd Michael J Hills

Chairman

Date 11th July 2024

Independent examiners' report

to the Trustees of Saint Andrew's Church Estate including the Charity of Sir William Blackett the Younger

I report on the accounts of the Charity for the year ended 31 December 2023, which are set out on pages 8 to 14.

This report is made solely to the Trustees, as a body. The examination has been undertaken so that I might state to the Trustees those matters that are required to be stated in an examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Trustees as a body, for this examination, for this report, or for the statements made.

Respective responsibilities of Trustees and examiner

The Charity's Trustees are responsible for the preparation of the accounts. The Trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the Charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of the 2011 Acthave not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Caroline Mulley

Name: Caroline Mulley

Relevant professional qualification or body: Institute of Chartered Accountants in England and Wales

Address: Newcastle upon Tyne

Date: 16th July 2024

Statement of financial activities

for the year ended 31 December 2023

	<i>Notes</i>	<i>Unrestricted</i>	<i>Restricted</i>	<i>2023</i>	<i>2022</i>
		£	£	<i>Total</i>	<i>Total</i>
				£	£
INCOME FROM:					
Voluntary income					
Donations for music scholarship		-	2,650	2,650	2,460
Donation for grave repair		-	24,877	24,877	-
Grant for heating		-	-	-	2,096
Donations		150	-	150	-
Fund raising					
Investment income	2	214,041	-	214,041	226,202
Other income					
Insurance claim		-	11,192	11,192	12,714
Total income		214,191	38,719	252,910	243,472
EXPENDITURE					
Charitable activities	3	107,880	13,842	121,722	127,048
Costs of fund raising	3	89,647	-	89,647	81,084
Total expenditure		187,527	13,842	211,369	208,132
Net income/(expenditure)		26,664	24,877	41,541	35,240
Realised losses on investment assets		(2,893)	-	(2,893)	(8,507)
Unrealised gains/(losses) on investment assets		19,553	-	19,553	(85,854)
Unrealised gain on investment properties		-	-	-	-
Net movement in funds in year		43,324	24,877	58,201	(59,021)
Total funds brought forward		3,470,836	-	3,470,836	3,529,857
Total funds carried forward		3,514,160	24,877	3,529,037	3,470,836

All activities are continuing.

Balance sheet

at 31 December 2023

	Notes	2023 £	2022 £
Fixed assets			
Investment properties	4	2,700,000	2,700,000
Investments	5	627,745	599,625
		<u>3,327,745</u>	<u>3,299,625</u>
Current assets			
Debtors	6	24,569	30,228
Cash at bank		199,280	152,430
		<u>223,849</u>	<u>182,658</u>
Creditors: amounts falling due within one year	7	(22,557)	(11,47)
		<u>201,292</u>	<u>171,211</u>
Net current assets			
		<u>3,529,037</u>	<u>3,470,836</u>
Net assets			
		<u>3,529,037</u>	<u>3,470,836</u>
Funds			
Unrestricted		3,514,160	3,470,836
Restricted		24,877	-
		<u>3,529,037</u>	<u>3,470,836</u>
Total funds		<u>3,529,037</u>	<u>3,470,836</u>

Approved by the Board of Trustees on 11th July 2024 and signed on its behalf by:

M.J.Hills

Revd Michael J Hills - Chairman

Notes to the financial statements

at 31 December 2023

1. Accounting policies

Statement of compliance and basis of preparation

Saint Andrew's Church Estate is an unincorporated Charity registered in England. The Registered Office is St Andrew's Church, Newgate Street, Newcastle upon Tyne, NE1 5SS. The financial statements have been prepared in compliance 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 Standards applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)". The Charity is exempt from preparing a statement of cash flows as it meets the requirements of a Small Charity.

The principal accounting policies adopted in the preparation of the financial statements are set out below.

Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice SORP (FRS 102). There were no material differences identified on adoption of the SORP (FRS 102).

Investments

Investments are included in the balance sheet at market value. Proceeds from sale of rights issues are credited against the cost of investment. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Investment properties

The Charity's properties are held for long-term investment. Investment properties are accounted for in accordance with FRS 102 and are held at fair value. The assets are valued by an independent firm of chartered surveyors. The valuation is performed every five years, subject only to obtaining advice as to the possibility of any material movements between valuations. Any material surplus or deficit on revaluation is transferred to the revaluation reserve unless a deficit below original cost, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the statement of financial activities for the year.

The Trustees believe that the policy of not providing depreciation is necessary in order for the financial statements to give a true and fair view, since the current value of investment properties, and changes to that current value, are of prime importance rather than a calculation of systematic annual depreciation. Depreciation is only one of the many factors reflected in the annual valuation, and the amount which might otherwise have been included cannot be separately identified or quantified.

Fund accounting

If the Charity receives funds for a particular purpose specified by the donor then the amounts are included in restricted funds and the relevant expenditure is charged against the fund.

Investment income

Income from bank deposits and dividends are accounted for on a received basis. Rentals receivable are credited in the statement of financial activities on an accruals basis recognising income receivable for the period.

Notes to the financial statements

at 31 December 2023

1. Accounting policies (continued)

Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the Charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where expenditure falls wholly within one of the expenditure categories contained within the Statement of Financial Activities, it is shown wholly within that category. Other costs are allocated to the expenditure categories by management on a reasonable and consistent basis each year, having regard to the proportion of time or resources expended on each activity.

2. Investment income

	2023	2022
	£	£
Dividends	19,021	12,714
Interest receivable	361	142
Rent received	194,659	211,620
	<u>214,041</u>	<u>226,202</u>

3. Resources expended

	2023	2022
	£	£
<i>Expenditure payable in furtherance of charity's objectives - unrestricted</i>		
Diocesan quota	29,730	29,730
Repairs and restoration costs	15,161	24,174
Donations	-	5,000
Music Scholarship	11,300	6,735
Support costs	51,689	44,139
	<u>107,880</u>	<u>109,778</u>
<i>Expenditure payable in furtherance of charity's objectives - restricted</i>		
Music scholarship	2,650	2,460
Heating funded by Diocese	-	2,096
Repairs funded by insurance claim	11,192	12,714
	<u>13,842</u>	<u>17,270</u>
<i>Fund raising</i>		
Investment property costs	25,552	19,060
Investment property management costs	7,440	7,440
Investment management fees	4,966	8,350
Support costs	51,689	46,234
	<u>89,647</u>	<u>81,084</u>

Notes to the financial statements

at 31 December 2023

3. Resources expended (continued)

Support costs of charitable activities

Accommodation expenses	48,726	28,891
Professional fees	-	1,775
Staff costs	52,764	61,368
Other administrative costs	1,788	235
Independent examiner	100	200
	<u>103,378</u>	<u>92,469</u>

Allocated based on time spent by staff 50% to charitable activities and 50% to fund raising

No remuneration was paid to Trustees in the year, nor were any Trustees' expenses reimbursed. The staff costs were in respect of the verger's salary, and the salary of the administrative assistant which were paid on behalf of St Andrew's as well as a contribution to costs of Revd M Hills.

4. Investment properties

Freehold property
£

Valuation:

At 31 December 2022 and 31 December 2021 2,700,000

The freehold property consists of:

91/95 Percy Street, Newcastle upon Tyne, NE1 7RW – this property was valued by Johnson Tucker on 24 May 2022 at £2,000,000.

Bradburn House, 64/70 Northumberland Street, Newcastle upon Tyne, NE1 7DF – this property was valued by Johnson Tucker on 24 May 2022 at £700,000.

These properties are leased to tenants under operating leases, 91/95 Percy Street over a range of periods with expiry dates up to 2028 and Bradburn House with 92 years remaining.

Notes to the financial statements

at 31 December 2023

5. Investments

	<i>Listed investments</i>	<i>Cash</i>	<i>Unrestricted funds Total</i>
	£	£	£
Market value at 1 January 2023	572,533	27,092	599,625
Less Disposals	(41,848)	41,848	-
Add Acquisitions at cost	69,677	(69,677)	-
Change in market value	19,553	-	19,553
Loss on disposal	(2,893)	-	(2,893)
Dividends and interest	-	17,266	17,266
Investment management fees	-	(5,806)	(5,806)
Market value at 31 December 2023	617,022	10,723	627,745
Historic cost at 31 December 2023			567,733

All investments were managed by Brewin Dolphin. The Trustees consider individual investment holdings in excess of 10% of the portfolio value to be material; there were no material investment holdings in the year.

6. Debtors

	2023	2022
	£	£
Prepayments	1,755	8,236
Balance held by property managers	21,647	10,867
Arrears of rent	1,167	11,125
	24,569	30,228

7. Creditors

	2023	2022
	£	£
Trade creditors	14,440	10,764
Deferred rental income	8,117	683
	22,557	11,447

8. Related party transactions

The Trustees are both churchwardens of St Andrew's Church. The grants made to St Andrew's Church for repairs and maintenance are set out in note 3.

Notes to the financial statements

at 31 December 2023

9. Bequest Account

This account represents the Charity of Sir William Blackett the Younger
(St Andrew's Ancient Parish Relief in Need Charity)

	2023 £	2022 £
Balance as at 1 January 2023	20	20
Investment income for the year	-	-
Expenditure during the year	-	-
Balance as at 31 December 2023	20	20

10. Taxation

As a registered charity the entity is not liable for any corporation tax arising from its activities during the year.

11. Analysis of movements on funds

	At 1 January 2022 £	Income £	Expenditure £	Investment Losses £	Transfers	At 31 December 2022 £
<i>Unrestricted</i>						
General	3,470,836	214,191	(187,527)	16,660	-	3,514,160
<i>Restricted</i>						
Music scholarship	-	2,650	(2,650)	-	-	-
Donation re grave	-	24,877	-	-	-	24,877
Insurance claim	-	11,192	(11,192)	-	-	-
	-	38,719	(13,842)	-	-	24,877
Total funds	3,470,836	252,910	(211,369)	16,660	-	3,529,037

