

THE CHURCH ESTATE CHARITY, DURHAM No 250248

ANNUAL REPORT FOR YEAR ENDED 31 MARCH 2022.

The Charity Commission Scheme Order dated 8 January 2001 governs the regulation of the charity known as The Church Estate Charity (250248) Durham.

Under the Scheme, the objects are: -

- The repair of the fabric of the Parish Church of St Margaret and to maintain the services therein, and subject thereto
- In furthering the religious and other work of the Church of England in the area of the benefit.

The area of the benefit comprises the parishes of St Margaret of Antioch, Crossgate Durham and St John's Neville's Cross, Durham. In 2021 another parish was added to the united benefice, that of St Edmund's, Bearpark, but that does not affect this charity – it is not included in the secondary objects of the charity and it would require various agreements to such an alteration to include them as well as Charity Commissioners' approval to the amendment of the Scheme.

The Trustees of the Charity during the year were: -

For St Margaret's – the Rector the Rev. Barnaby T Huish (also appointed Chairman); Jonathan Bramley Cook; Susan Helen Lyons; Peter Athen Smith and Posy O'Neill.

For St John's – Mike Chater, Joan Twomey (till 9th May 2021) Jo Cundy (from 9th May 2021) and Susan Massey.

St Margaret's PCC nominates its Trustees whereas with St John's, those elected to the office of churchwarden are expected to be a trustee of this charity, as well as the Treasurer. Apparently in the past some from St John's were less than enthusiastic in serving as a Trustee, hence this device to remedy such a problem. 9th May 2021 was the date of St John's annual parish meeting.

It is also fitting to record the thanks of the Chairman and the other Trustees for Joan Twomey's dedication and application to the role of Trustee. The two qualities that shone through were her calmness and warmth, coupled to her understanding of her role as a Trustee.

The Secretary of the Trustees is Peter Athen Smith: the post is an honorarium. He keeps the minutes, advises the Trustees generally and is also responsible for keeping the accounting records of the Charity and maintaining the Register of Trustees.

The Charity's independent examiner is Mr John Bamborough Gibson, a retired Assistant Durham County Council Treasurer.

The Charity has one asset, namely an endowment – that is funds – which are invested to produce income and so cover the work it undertakes, as described above. Being an endowment, those funds cannot themselves be spent save with the prior consent of the Charity Commissioners first obtained. Presently those funds are invested in Charifunds, a unit

trust managed by M & G. Further details of the investment are set out in the Statement of Assets and Liabilities.

As set out in that separate report, there are no other assets and there has been no change in the assets held in Charifunds during the year.

Equally, the Charity has no liabilities, overheads or staff and Trustees receive neither payment nor expenses.

The primary object of the Charity is the repair of the fabric of St Margaret's Church, which is a Grade I listed building: its repair and upkeep is a heavy burden. As an added guidance, there is a requirement for every parish to obtain a quinquennial report from a suitably qualified architect as to the state of their church building and carry out the repairs specified within the stipulated time frame.

The Trustees of the Charity held meetings within the period covered by this report on 12th May 2021, 21st July 2021, 14th October 2021 and 19th January 2022. Previously, it had been agreed to try and hold meetings quarterly so as to assist St John's Church's cash flow (the Rector's secretary is employed by St John's and initially paid by them but they then claim that payment, together with office expenses and subscriptions from the Charity each quarter). Due to his other commitments, it was hard to arrange meetings with the independent examiner to hand over and then collect the papers when he did the audit. On the other hand, the Trustees' meetings were all via Zoom and the medium seems to be much appreciated. Attendances were good, and the time limit imposed by Zoom suited the Trustees as it kept meetings short and to the point!

Income in the year was increased by, in round figures some £5000 and expenditure was down by about £1000. The charity ought not to aim to accumulate money, rather it should expend it in the furtherance of its objects; however, it must be acknowledged that the adverse effects of Covid are still making themselves felt in strange ways.

Over the course of the year the value of the endowment has increased by some £60,000 but one may take a cautious stance, saying this is really a snapshot of a small part of a much bigger picture and in any event, if things are improving, it is not the right time to think about change. The Trustees may well conclude now is not the right time to change investments made.

Taking all in all, the performance of the endowment has been encouraging during the course of the year.

It is perhaps interesting therefore to look at the income generated by the investment over the course of the past ten years and the value of the investment, so as to put this year's figures in context.

DATE	DIVIDEND INCOME	VALUE OF INVESTMENT
31/3/20	43,348	620,616
31/3/19	41,531	798,270
31/3/18	39,065	792,830

31/3/17	36,988	809,427
31/3/16	35,950	734,645
31/3/15	34,652	785,821
31/3/14	33,136	754,071
31/3/13	32,165	681,189
31/3/12	30,084	592,594
31/3/11	29,658	603,323

So, whilst we appear to be in a better position as at 31 March this year, the fluctuations shown in the table are perhaps a stark warning that all can change very quickly in a short space of time.

I said last year: -

“St Margaret’s have had in the past couple of years, a quinquennial report with some repairs listed, principally to the roof which in the short to medium term will need to be replaced, as well as renewal of the lighting system and redecoration. When the works are done, substantial claims for grants are likely to be made by St Margaret’s PCC”

Well, that position remains unaltered, in that satisfying the requirements of the DAC has not resulted in any of the planned works being undertaken during the year and so, they remain to be undertaken, and in consequence, will result at some time in the future, in St Margaret’s PCC asking us to act charitably towards them and assist with the cost. Perhaps nothing really changes.

P A Smith 

20 September 2022.

THE CHURCH ESTATE CHARITY, DURHAM No 250248

STATEMENT OF ASSETS & LIABILITIES

YEAR ENDED 31 MARCH 2022

The only asset of the Charity is moneys invested in M & G Charifunds, a Charity Authorised Investment Fund. This fund constitutes an endowment, that is the actual fund cannot be spent save with the Charity Commissioners' consent, whereas the income it produces is available to spend on all authorised purposes.

M & G operate an ethical investment policy and pay the dividends gross quarterly.

The Charity holds 51,913.975 units and in the financial year covered by this Statement neither acquired nor disposed of any units.

The Charity has no other assets of any kind save moneys it holds in its bank accounts with CAFBank.

The Charity does not have any liabilities: it does not make any form of payment to its Trustees; does not have any employees; does not employ canvassers; does not engage in door to door or street collections; does not own, rent or have any form of interest in real property; it does not have any outgoings of any sort.

In the past M & G have explained their investment policy: some of the funds are in interest bearing securities but much is invested in carefully chosen smaller companies with a good record, likely to grow to the point that they will issue shares under a rights issue and from such the bulk of the income is generated.

To an extent there is not a real correlation between the value of the fund and the income it produces.

Table A below shows the dividend distribution rate and amounts received.

Table B gives the value of the fund at the times stated.

TABLE A

PERIOD	DIVIDEND DISTRIBUTION RATE PER UNIT	DATE OF PAYMENT	AMOUNT
1/2/21 to 30/4/21	21.5p	28/5/21	11,161.50
1/5/21 to 31/7/21	18p	31/8/21	9,344.52
1/8/21 to 31/10/21	23p	15/12/21	11,940.21
1/11/21 to 31/1/22	12.5p	28/2/22	6,489.25
			38,935.48

The next payment was received in May 2022, outside the financial year we are dealing with.

TABLE B

DATE	VALUE OF HOLDING
31/3/21	764,386.56
30/6/21	795,202.69
30/9/21	798,172.17
31/12/21	807,885.28
31/3/22	820,090.25

Both the dividends received and the value of the holding show an increase over the previous year.

Signed..... Chairman of Trustees

On behalf of all The Trustees.

TABLE A

PERIOD	DIVIDEND DISTRIBUTION RATE PER UNIT	DATE OF PAYMENT	AMOUNT
1/2/21 to 30/4/21	21.5p	28/5/21	11,161.50
1/5/21 to 31/7/21	18p	31/8/21	9,344.52
1/8/21 to 31/10/21	23p	15/12/21	11,940.51
1/11/21 to 31/1/22	12.5p	28/2/22	6,489.22
			38,935.75

The next payment was received in May 2022, outside the financial year we are dealing with.

**RECEIPTS AND PAYMENTS ACCOUNT AND STATEMENT OF
ASSETS AND LIABILITIES**

under section 42(3) of the Charities Act 1993

Charity Name: The Church Estate Charity, Durham.

Charity Commission Number: 250248

Financial Year: 12 months to 31 March 2022

INDEPENDENT EXAMINER'S REPORT

I have examined the Receipts and Payments Account of the Church Estate Charity Durham for the year ended 31 March 2022 with the vouchers, bank statements and information submitted to me and I am of the opinion the Accounts are a true record of the income and disbursements of the Charity for the aforementioned year.
I further certify that the information given in the Statement of Assets & Liabilities is correct.

Signed.....*John B. Gibson*.....Dated.....*16th September 2022*.....
B.Sc. CPFA
Independent Examiner

DECLARATION ON BEHALF OF THE TRUSTEES

The Receipts & Payments Account as attached for the year ended 31 March 2022 and the Statement of Assets & Liabilities at that date as also set out attached are as approved by the Trustees.

Signed.....Dated.....

Trustee authorised to sign on behalf of all Trustees.

THE CHURCH ESTATE CHARITY, DURHAM No. 250248

RECEIPTS & PAYMENTS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

RECEIPTS	1/4/21 to 31/3/22	1/4/20 to 31/3/21
Charifund dividends	38,935.48	33,484.53
Interest on CafGold account	16.81	42.25
TOTAL RECEIPTS (A)	38,952.29	33,526.78
PAYMENTS		
To St John's		
Rector's Secretary Salary, office expenses and contribution to cost of Youth Worker	22,492.67	21,956.84
To St Margaret's		
Youth Ministry	520.00	2,080.00
Insurance	3,168.45	3085.00
Bibles for school leavers (cheque for £233.40 issued but never presented)	00.00	00.00
Bank charges	99.00	70.00
TOTAL PAYMENTS (B)	26,280.12	27,191.84
Bank balances on 1/4/20		101,904.97
Add Receipts (A)		33,526.78
		135,431.75
Less Payments (B)		27,191.84
Closing balance on 31/3/21		108,239.91
Bank balances on 1/4/21	108,239.91	
Add Receipts (A)	38,952.29	
	147,192.20	
Less Payments(B)	26,280.12	
	120,912.08	
Represented by moneys in: -		
CafGold account	101,041.61	
CafCash account	19,870.47	
Total of moneys at bank	120,912.08	

Signed

Chairman of Trustees on behalf of all the Trustees.