

CHURCH ESTATE TRUST
ANNUAL REPORT
AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Fawley Judge & Easton
Chartered Certified Accountants
12 Pavement
Pocklington
York
YO42 2AX

CHURCH ESTATE TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Rev Caroline Pinchbeck
Mr Andrew J Frankland-Barber -
Treasurer
Mrs Margaret Oakes
Mrs Irene Pittaway
Mr David Millican - Lay Chair
Mr David Rudd
Mr Christopher Clubley

Charity number

250285

Independent examiner

Fawley Judge & Easton
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York
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CHURCH ESTATE TRUST

CONTENTS

	Page
Trustees' report	1 - 2
Independent examiner's report	3
Statement of financial activities	4
Balance sheet	5
Notes to the financial statements	6 - 11

CHURCH ESTATE TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees present their report and financial statements for the year ended 31 December 2020.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charities Act 2011 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

Objectives and activities

The charity's objects are the maintenance and repair of the parish church. The policies adopted in furtherance of these objects are the continuing investment in land and property to maximise the funding available for the maintenance and repair of the parish church, there has been no change in these during the year.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

The aim of the Trust is the "maintenance and care of the fabric and ornaments of All Saints Church Market Weighton". In accordance with this aim the Trust made a grant towards the cost of the insurance, gas, churchyard and repairs of £10,250.

Financial review

The charity's restricted income was £41,418 for the period with governance and support costs of £8,177 and a grant made to All Saints Church of £10,250. This resulted in an increase in restricted funds of £22,991 in the year. Given this the trustees are pleased that all other income and expenditure were within budget expectations.

The properties during the year were fully let with the exception of three voids, two voids relate to the letting of the flat and the other was a minor void in relation to 108 Wicton Way. The properties continue to be managed day to day by the agents in conjunction with the Secretary and Treasurer.

The Investments have continued to give good returns with an increase in market value of £17,889 during the year.

The review of the reserve structure has been completed and together with the investment review it has enabled a structure to be implemented that meets the requirements of the Trust in future years.

A review of the property valuations was carried out by the Trustees'. It was determined that the value of the properties had not materially changed during this 3 year period.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The charity was established by a charitable trust deed on scheme of 19/11/1886 and varying scheme of 27/07/1966.

The trustees who served during the year and up to the date of signature of the financial statements were:

Rev Caroline Pinchbeck

Mr Andrew J Frankland-Barber - Treasurer

Mrs Margaret Oakes

CHURCH ESTATE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Mrs Irene Pittaway
Mr David Millican - Lay Chair
Mr David Rudd
Mr Christopher Clubley

The latter scheme provided for a body of 9 trustees. As vacancies arise efforts are made to recruit suitable individuals who through residence, occupation or employment or otherwise have special knowledge of the benefit area.

Rev Caroline Pinchbeck was appointed as Chair during the year under review on the 17 November 2019, the Treasurer is Mr Andrew Frankland-Barber and the Secretary is Mr David Millican. The Board met 1 time during the year.

As Mr Andrew Frankland-Barber is Treasurer for All Saints Church Market Weighton he is not a signatory to the Trust bank accounts.

There are no related party transactions to report on in the year.

The trustees' report was approved by the Board of Trustees.

Mr Andrew J Frankland-Barber - Treasurer
Trustee
Dated: 16 April 2021

CHURCH ESTATE TRUST

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF CHURCH ESTATE TRUST

I report to the trustees on my examination of the financial statements of Church Estate Trust (the charity) for the year ended 31 December 2020.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all 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 financial statements in accordance with 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) 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 now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with 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 financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements to be reached.

Jonathan Leathley
Fawley Judge & Easton
Chartered Certified Accountants
12 Pavement
Pocklington
York
YO42 2AX

Dated: 16 April 2021

CHURCH ESTATE TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Restricted funds 2020 £	Restricted funds 2019 £
<u>Income from:</u>			
Investments	3	41,418	41,077
		<hr/>	<hr/>
<u>Expenditure on:</u>			
Charitable activities	4	23,118	30,232
		<hr/>	<hr/>
Net gains/(losses) on investments	9	17,869	28,419
		<hr/>	<hr/>
Net movement in funds		36,169	39,264
Fund balances at 1 January 2020		1,631,429	1,592,165
		<hr/>	<hr/>
Fund balances at 31 December 2020		<u>1,667,598</u>	<u>1,631,429</u>

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

All income and expenditure derive from continuing activities.

CHURCH ESTATE TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	10	1,384,600		1,384,600	
Investments	11	223,498		205,580	
		<u>1,608,098</u>		<u>1,590,180</u>	
Current assets					
Cash at bank and in hand		64,191		41,249	
		<u>64,191</u>		<u>41,249</u>	
Net current assets			64,191		41,249
Total assets less current liabilities		<u>1,672,289</u>		<u>1,631,429</u>	
Income funds					
Restricted funds		1,667,598		1,631,429	
Unrestricted funds		-		-	
		<u>1,667,598</u>		<u>1,631,429</u>	
Warning: Support and governance cost to reallocate (5000 codes must balance to nil to balance BS)		(4,691)		-	
Warning: Balance sheet net assets do not equal equity, or there is a suspense balance.		(4,691)		-	

The financial statements were approved by the Trustees on 16 April 2021

Mr Andrew J Frankland-Barber - Treasurer
Trustee

Mr David Millican - Lay Chair
Trustee

CHURCH ESTATE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

Church Estate Trust is a Charity.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "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 charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements 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 Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

CHURCH ESTATE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings

Impairment review is carried out by the trustees

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

CHURCH ESTATE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Investments

	Restricted funds	Restricted funds
	2020	2019
	£	£
Rental income	41,368	41,077
Interest receivable	50	-
	<u>41,418</u>	<u>41,077</u>

4 Charitable activities

	All Saints Church, Market Weighton 2020	All Saints Church, Market Weighton 2019
	£	£
Grant funding of activities (see note 5)	10,250	17,128
Share of support costs (see note 6)	7,883	7,263
Share of governance costs (see note 6)	4,985	5,841
	<u>23,118</u>	<u>30,232</u>

CHURCH ESTATE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

5 Grants payable

	All Saints Church, Market Weighton 2020 £	All Saints Church, Market Weighton 2019 £
Grants to institutions:		
All Saints Church, Market Weighton	10,250	17,128

-

6 Support costs

	Support costs £	Governance costs £	2020 £	Support costs £	Governance costs £	2019 £
Rates	-	-	-	537	-	537
Insurance	2,334	-	2,334	2,250	-	2,250
Repairs and maintenance	858	-	858	4,476	-	4,476
Accountancy	-	270	270	-	270	270
Legal and professional	-	4,715	4,715	-	5,571	5,571
	<u>3,192</u>	<u>4,985</u>	<u>8,177</u>	<u>7,263</u>	<u>5,841</u>	<u>13,104</u>
Analysed between Charitable activities	<u>7,883</u>	<u>4,985</u>	<u>12,868</u>	<u>7,263</u>	<u>5,841</u>	<u>13,104</u>
WARNING - DOES NOT AGREE	4,691	-	4,691			-

Governance costs includes payments to the auditors of £270 (2019- £270) for audit fees.

7 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year.

8 Employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Total	-	-

CHURCH ESTATE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

9 Net gains/(losses) on investments

	Restricted funds	Restricted funds
	2020	2019
	£	£
Revaluation of investments	17,869	28,419

10 Tangible fixed assets

	Land and buildings £
Cost	
At 1 January 2020	1,384,600
At 31 December 2020	1,384,600
Carrying amount	
At 31 December 2020	1,384,600
At 31 December 2019	1,384,600

11 Fixed asset investments

	Unlisted investments £
Cost or valuation	
At 1 January 2020 & 31 December 2020	205,580
Carrying amount	
At 31 December 2020	205,580
At 31 December 2019	205,580

12 Analysis of net assets between funds

	Restricted funds	Restricted funds
	2020	2019
	£	£
Fund balances at 31 December 2020 are represented by:		
	-	-

CHURCH ESTATE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) *FOR THE YEAR ENDED 31 DECEMBER 2020*

13 Related party transactions

There were no disclosable related party transactions during the year (2019 - none).