

Registered number: 01134684
Charity number: 266686

THE NORWICH HISTORIC CHURCHES TRUST LIMITED
(A company limited by guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

THE NORWICH HISTORIC CHURCHES TRUST LIMITED

(A company limited by guarantee)

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THE NORWICH HISTORIC CHURCHES TRUST LIMITED

(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2023**

Trustees

Mr O. Chinn ²
Mr D. Fullman (resigned 31 January 2023)
Mr A. Giles (appointed 1 November 2022) ¹
Ms F.M. Godden (resigned 29 November 2022)
Ms M. Gooch (resigned 29 November 2022)
Ms S.K. Gore, Chair ^{1,2,3}
Dr. N. Groves (resigned 30 January 2023)
Mrs F.E. Hartley ⁴
Mr S. Heywood ²
Mr P. Hunt (resigned 29 November 2022)
Mr G. Ishmael ⁴
Mr C. McCarthy, Vice Chair (appointed 26 April 2022) ^{1,2,3}
Mr A. G. Munro ⁴
Ms C. A. Oliver ⁴
Ms J. Roy, Treasurer ^{1,2,4}
Miss S F K Twyford ²

Committees: ¹ Finance ² Property management and Heritage ³ Health and Safety ⁴ Fundraising

Company registered number 01134684

Charity registered number 266686

Registered office St Martin At Palace Church
St. Martin At Palace Plain,
Norwich,
Norfolk, NR3 1RW

Company secretary Ms S C Martins

Accountants Larking Gowen LLP
Chartered Accountants
King Street House
15 Upper King Street
Norwich NR3 1RB

Bankers Barclays Bank Plc
Norwich
Norfolk NR1 3QH

Solicitors Birketts LLP
Kingfisher House
1 Guilders Way
Norwich
Norfolk NR3 1UB

THE NORWICH HISTORIC CHURCHES TRUST LIMITED

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their annual report together with the financial statements of the Company for the year 1 April 2022 to 31 March 2023. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

Charitable Objectives

The charitable objects for which Norwich Historic Churches Trust (NHCT) is established are: the preservation and maintenance for the public benefit of redundant churches of all denominations in the City of Norwich which are of historic or architectural value.

Main activities undertaken to further the Company's purposes for the public benefit

The Trustees confirm that they have referred to the Charity Commission's general guidance on public benefit when reviewing the charitable company's aims and objectives and in planning future activities. In this respect, they note that all the properties leased by NHCT are open to the public at some time during the year.

Review of activities during the year

Our activities and financial performance are outlined below:

Tenancies

During the year 16 out of the 18 churches cared for by NHCT were occupied including St Martin at Palace which is used as the Trust's administrative headquarters. They are used for a variety of purposes including antique centres, arts venues, theatres, small businesses and charities.

During the year five rent increases were successfully negotiated with tenants.

The St John De Sepulchre lease came to an end in February 2023 and was successfully renewed with the tenant in May 2023.

The lease for the St Peter Parmentergate vestry expired in August 2022 and after being put on a licence the tenant left in January 2023. A replacement tenant is now in discussions to occupy the space.

The tenant for St Martin at Oak indicated their intention to not renew their lease due to complete in April 2024. The tenant terminated the St Mary Coslany lease in October 2022, new tenants have been secured however lime washing and monument repairs along with a prolonged planning application have meant that the church remained vacant for the remainder of the financial year.

The tenant terminated the St Saviours lease in November 2022 and was replaced by a new tenant shortly after.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023

Review of activities during the year (continued)

Conservation and Repairs

In April 2022, because of a serious accident, a key member of the team became unavailable. The largest repair project undertaken by the Trust in the last 10 years started on St Margaret De Westwick during the same month.

This combination of events had a significant impact on the extent of repair and conservation work that the Trust was able to undertake. Despite this we managed to deal with the repair needs of eight churches including St John's South nave roof repairs, St Swithin's north and south nave roof repairs, All Saints rebuild of north porch quoins and St Martin at Palace buttress section rebuild, repair of clerestory windows and patch decoration.

St Margaret De Westwick

In 2020 St Margaret De Westwick was placed on the 'Heritage at Risk register'. In 2021 a development grant was awarded by Historic England of £45k and this along with match funding from the Trust was used to define the restoration need.

This proposed an extensive restoration programme all around the church, in the Tower, Porch, South and North Aisle, Chancel and grounds. Roof, masonry and drainage repairs involving the buttresses being exposed and repaired, masonry repointing around 60% of the church, repairing and relaying the roof, addressing drainage issues that are causing water ingress, and improving access. Further works were later identified in respect of the vestry roof and the north porch door. The original target completion date was April 2023, however due to project additions and drainage handling amendments completion is now likely to be December 2023 (this estimated date is now dependent upon archaeological findings).

The Trustees feel that once the project is complete the churches' future is secure. In addition, negotiations are underway with a potential tenant for this much improved church.

The total project cost is estimated at £800k and a grant of £555k has been awarded by Historic England of which the second £250k was received in year. The Trustees are grateful to the Norwich Freemens, the Paul Bassham Trust, the Garfield Weston Foundation and the Geoffrey Watling Charity for supporting this project. The balance of the funding will be made up of VAT reclaims from the Listed Places of Worship grants scheme and the Trust's free reserves.

St Mary Coslany

As a result of a tenancy change, the opportunity arose to carry out repairs to the church fabric, rebuild and repairs to monuments and to undertake internal decorations.

This includes a rebuild of flint section above the south chancel window, the decoration of the south porch door and a full internal limewash. The monument removal and limewashing revealed cracks to be filled and some very small elements of medieval wall paintings. The project finished in September 2023. The projected total project cost is around £45k.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Review of activities during the year (continued)

Access and Learning

This year the Trust worked with the Matthew Project to deliver the National Lottery Heritage Fund-funded project "Medieval Church Conservation – Recovery from Substance Misuse". We worked with 4 individuals to provide traditional heritage building skills and confidence in the workplace. The project provided opportunity for employment, as well as bridging a gap in the existing demand for these skills. It was integrated with the conservation project taking place at St Margaret De Westwick and included pointing at St Etheldreda's and slab cleaning/monument conservation at St Martin at Palace.

NHCT delivered 10 events this year, directly engaging with 235 visitors:

- We worked for the last time with the Centre for Parish Church Studies to deliver a touring event, visiting churches across Norfolk. During the year a decision was taken by the Centre to cease its' activity via the Trust and the remaining funds were donated to be used for future education activity.
- We delivered six Heritage Open Day Events which included a tour of the churchyards focused on biodiversity, a private-view and a talk on the exhibition "Altered", a performance by the Palace Players, a talk on bellringing, a hard-hat tour of the repairs project at St Margaret and a trail talk on the artwork in the church alcoves.
- Our annual lecture focused on the Norwich Castle Keep redevelopment project.

St Martin at Palace continued to operate as a visitor centre with the support of volunteers.

The Heavenly Gardens project has continued to work with volunteers to improve the look and maintenance of churchyards across the city.

Our people

The team were significantly impacted by the loss of a key member who has since moved on from the Trust. Whilst part time administrative support was brought in, the 2 remaining team members took on added responsibilities, not least the monitoring of the St Margaret De Westwick project. The Trustees wish to acknowledge the major contribution made in the last year by the team in a very difficult and challenging environment.

Financial Review

Financial out-turn

The net movement in funds was a deficit of £354k compared to a surplus of £442k in the prior year. This was due to expenditure on two major refurbishment projects taking place after funding being received in the prior year. The projects concerned related to St Michael Coslany (now completed) and St Margaret De Westwick (due to complete in winter 2023).

Income fell year on year from £983k to £432k. In 2021/22 Historic England granted £500k towards the St Margaret De Westwick refurbishment project. Additional funding towards this project of £114k was received in the current year from a number of funders.

Rental income increased to £201k from £171k because of rents being restored to normal levels after projects were completed and a new tenancy at St Peter Parmentergate.

Restart grants of £18k were received in 21/22 from Norwich City Council.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Financial Review (continued)

Financial out-turn (continued)

Listed places of worship income (included in income from charitable activities) rose from £38k to £61k due to higher VAT reclaims in year arising from the large refurbishment project spend.

Costs for the year increased from £542k to £786k largely due to the spend on the St Margaret De Westwick project, the total cost of which is anticipated to be approximately £780k. The Trust also experienced significant increases in insurance and staff costs due to inflationary pressures.

Overall, a financial performance that met expectations given the economic backdrop and the major project activity.

Principal funding

Almost all of NHCT's income comprises rent and building hire fees, and grants for specific projects. NHCT also receive some public donations and payments for courses and books.

Going Concern

After making appropriate enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

Reserves Policy

The Policy of the Trustee Board is to hold unrestricted free reserves amounting to approximately £40,000 sufficient to continue current activities for a three-month period.

Due to the nature of the buildings significant reserves may be required in the case of emergency repairs. Whilst no target has been set a nominal figure of £150,000 would go some way to achieving this. In 21/22 the Trustees decided to ear mark £50,000 from unrestricted reserves for 'General unplanned repairs' to begin building such a reserve. The current level of unrestricted reserves (excluding fixed assets) is £144k with unrestricted reserves excluding tangible fixed assets and designated funds being £94k. Note 15 provides more information on the unrestricted funds held at 31 March 2023.

Structure, governance and management

Constitution

NHCT was incorporated and registered in the United Kingdom as a Company limited by guarantee with no share capital on 17 September 1973 (registered number 01134684) and was registered as a charity on 8 January 1974 (charity registration number 266686). Its governing document is its Memorandum and Articles of Association dated 17 September 1973 and as amended by special resolution dated 1 January 2016. NHCT was created by Norwich City Council to manage the historic churches in its care whilst the City Council holds the freehold of these buildings.

In 2021 the Board of Trustees (formerly Council of Management) commissioned a rewrite of the Articles of Association to bring them into line with current best practice. The new governing document was approved by the Board in May 2023 and will go through the formal adoption process during 2023/24.

Methods of appointment or election of Trustees

The governance of NHCT is the responsibility of the Trustees who all are members of the Board of Trustees (formerly Council of Management); each year one third of the Trustees retire and may stand for re-election.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management (continued)

Details of the elections are publicised locally to encourage applications from external candidates. Three Trustees are nominated annually by Norwich City Council under the terms of the Company's Memorandum and Articles of Association.

Organisational structure and decision making policies

In November 2022 the Council of Management approved the following changes:

- The Council of Management would be renamed the Board of Trustees and would continue to meet four times each year to transact the necessary business
- The Executive Committee would be replaced with specialist Board committees with delegated authority, the members of which would be approved by the Board of Trustees

The specialist Board Committees are as follows:

Finance Committee – this committee meets quarterly to consider in detail the Charity's finances, risk and other non-property management related operational matters such as staff management.

Property Management and Heritage Committee – this committee meets quarterly to consider in detail and facilitate the Charity's effective, efficient and professional management of its' property portfolio in fulfilment of the Charity's objectives.

Health and Safety Committee – this committee meets every 6 months to review in detail its approach to Health and Safety on repair projects and in its normal day to day activities.

Fundraising Committee – this committee meets monthly to consider in detail its approach to fundraising and volunteer recruitment.

With effect from August 2023 NHCT employed three staff:

- Two Property and Conservation Managers who manage the heritage, repairs and maintenance and successful tenanting of the churches in the care of the Charity
- A Finance Officer who is responsible for financial transactions and regular reporting.

Policies adopted for the induction and training of Trustees.

New trustees are presented with a welcome pack which includes a copy of the Articles of Association, information about the churches and NHCT's activities. They are invited to an induction workshop run by the Chair or Vice Chair of Trustees.

Financial risk management

The Finance Committee has a risk register that it reviews in detail on an annual basis. NHCT reviews the major risks to which it is likely to be exposed and puts proposals to manage or mitigate them to the Board of Trustees.

NHCT will make every effort to ensure its properties are tenanted and all due income collected. Where possible, NHCT will prioritise tenants with a cultural or community focus and which encourage greater public access.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management (continued)

Fundraising

NHCT will continue to look for opportunities to raise additional funds through grants or other opportunities for income.

Any fundraising has been carried out by volunteers or existing members of staff, and no professional fundraiser or commercial participator has been involved in any fundraising activities.

Repairs programme

It will continue to carry out repairs needed to keep the historic buildings in good order and will focus primarily on works outlined in its Conservation and Repair Plan 2020- 2024.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company for the purposes of company law) 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).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Mrs J Roy
Treasurer

Date: 28/11/2023

THE NORWICH HISTORIC CHURCHES TRUST LIMITED

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INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 MARCH 2023

Independent examiner's report to the Trustees of The Norwich Historic Churches Trust Limited (‘the Company’)

I report to the charity Trustees on my examination of the accounts of the Company for the year ended 31 March 2023.

Responsibilities and basis of report

As the Trustees of the Company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 (‘the 2006 Act’).

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Company's accounts carried out under section 145 of the Charities Act 2011 (‘the 2011 Act’). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of (enter body here), which is one of the listed bodies.

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:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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.

This report is made solely to the Company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Company's Trustees those matters I am required to state to them in an Independent 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 Company and the Company's Trustees as a body, for my work or for this report.

Signed:

Dated:

Giles Kerkham FCA DChA
Larking Gowen LLP
Chartered Accountants
Norwich

THE NORWICH HISTORIC CHURCHES TRUST LIMITED

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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023**

		Restricted funds 2023	Unrestricted funds 2023	Total funds 2023	Total funds 2022
	Note	£	£	£	£
Income from:					
Donations and legacies	3		6,819	6,819	5,261
Charitable activities	4	175,216	211,330	386,546	947,486
Investments	5	-	1,675	1,675	59
Other income	6	-	37,260	37,260	30,668
Total income		<u>175,216</u>	<u>257,084</u>	<u>432,300</u>	<u>983,474</u>
Expenditure on					
Charitable Activities	7	548,875	237,451	786,326	541,618
Total Expenditure		<u>548,875</u>	<u>237,451</u>	<u>786,326</u>	<u>541,618</u>
Net (expenditure)/ income		(373,659)	19,633	(354,026)	441,856
Transfers between funds	15	4,226	(4,226)		
Net movement in funds		<u>(369,433)</u>	<u>15,407</u>	<u>(354,026)</u>	<u>441,856</u>
Reconciliation of funds					
Total funds brought forward		544,443	129,788	674,231	232,375
Net movement in funds		(369,433)	15,407	(354,026)	441,856
Total funds carried forward		<u>175,010</u>	<u>145,195</u>	<u>320,205</u>	<u>674,231</u>

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

The notes on pages 11 to 25 form part of these financial statements.

THE NORWICH HISTORIC CHURCHES TRUST LIMITED

(A company limited by guarantee)
REGISTERED NUMBER: 01134684

BALANCE SHEET
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	12	1,419	736
Current assets			
Debtors	13	71,077	299,416
Cash at bank and in hand		410,026	470,326
Total current assets		<u>481,103</u>	<u>769,742</u>
Creditors: amounts falling due within one year	14	(162,317)	(96,247)
Net current assets		318,786	673,495
Total Net Assets		<u>320,205</u>	<u>674,231</u>
Charity funds			
Restricted funds	15	175,010	544,443
Unrestricted funds	15	145,195	129,788
Total funds		<u>320,205</u>	<u>674,231</u>

The Company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.


The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

S Gore (Chair)

Date:

28/11/2023 

The notes on pages 11 to 25 form part of these financial statements.

THE NORWICH HISTORIC CHURCHES TRUST LIMITED

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. General information

The company is a company limited by guarantee, incorporated in England and Wales. The registered office is St Martin At Palace Church, St. Martin At Palace Plain, Norwich, NR3 1RW. The registered company number is 01134684.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance 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 Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Norwich Historic Churches Trust Limited meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect of a period of one year from the date of approval of these financial statements.

The Trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees are of the opinion that the Charity will have sufficient resources to meet its liabilities as they fall due.

2.3 Company Status

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the company.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.4 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably.

In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends and other volunteers is not recognised.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Company which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity.

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Charitable activities and Governance costs are costs incurred on the company's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £300 or more are capitalised and recognised when future economic benefits are probable, and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Fixtures and fittings	- 5 years straight line
Computer and office equipment	- 3 year straight line

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation.

2.11 Financial instruments

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.12 Operating leases

Rental income and expenditure under operating leases are brought into the Statement of financial activities as income and expenditure respectively on a straight-line basis over the lease term.

THE NORWICH HISTORIC CHURCHES TRUST LIMITED

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.13 Pensions

The Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year.

2.14 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Income from donations and legacies

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Donations	-	<u>6,819</u>	<u>6,819</u>

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Donations	-	<u>5,261</u>	<u>5,261</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

4. Income from charitable activities

	Restricted funds 2023	Unrestricted funds 2023	Total funds 2023
	£	£	£
Rent receivable	-	201,085	201,085
Church studies	-	497	497
Grants received	114,500	-	114,500
Listed places of worship grant income	59,984	634	60,618
Other incoming resources	732	9,114	9,846
Total income from charitable activities	<u>175,216</u>	<u>211,330</u>	<u>386,546</u>

	Restricted funds 2022	Unrestricted funds 2022	Total funds 2022
	£	£	£
<i>Rent receivable</i>	-	170,828	170,828
<i>Church studies</i>	-	-	-
<i>Grants received</i>	715,862	17,907	733,769
<i>Listed places of worship grant income</i>	27,243	10,901	38,144
<i>Other incoming resources</i>	-	4,745	4,745
<i>Total income</i>	<i><u>743,105</u></i>	<i><u>204,381</u></i>	<i><u>947,486</u></i>

5. Investment income

	Unrestricted funds 2023	Total funds 2023	Total funds 2022
	£	£	£
Interest received	<u>1,675</u>	<u>1,675</u>	<u>59</u>
<i>Total 2022</i>	<i><u>59</u></i>	<i><u>59</u></i>	

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6. Other incoming resources

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Insurances recharged	37,260	37,260	29,898
Events	-	-	770
Total incoming resources	<u>37,260</u>	<u>37,260</u>	<u>30,668</u>
<i>Total 2022</i>	<i>30,668</i>	<i>30,668</i>	

7. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Insurance	-	43,458	43,458
Maintenance	548,875	83,118	631,993
St Martin at Palace (utilities)	-	2,954	2,954
Wages and salaries	-	82,232	82,232
Administration	-	14,916	14,916
Legal and professional	-	3,386	3,386
Marketing	-	475	475
Depreciation	-	1,224	1,224
Bad debts	-	1,850	1,850
Independent examiners fee	-	3,838	3,838
Total expenditure by fund type	<u>548,875</u>	<u>237,451</u>	<u>786,326</u>

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7. Analysis of expenditure on charitable activities

Summary by fund type (continued) prior year

	<i>Restricted funds 2022 £</i>	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
<i>Insurance</i>	-	36,836	36,836
<i>Maintenance</i>	307,853	82,450	390,303
<i>St Martin at Palace</i>	-	3,374	3,374
<i>Wages and salaries</i>	-	70,874	70,874
<i>Administration</i>	821	11,221	12,042
<i>Legal and professional</i>	-	17,617	17,617
<i>Marketing</i>	-	5,304	5,304
<i>Depreciation</i>	-	1,550	1,550
<i>Governance costs</i>	-	3,718	3,718
Total expenditure by fund type	<u>308,674</u>	<u>232,944</u>	<u>541,618</u>

8. Analysis of expenditure by activity

	<i>Activity undertaken directly 2023 £</i>	<i>Support cost 2023 £</i>	<i>Total funds 2023 £</i>
<i>Insurance</i>	43,458	-	43,458
<i>Maintenance</i>	631,993	-	631,993
<i>St Martin at Palace</i>	2,954	-	2,954
<i>Wages and salaries *</i>	36,269	45,963	82,232
<i>Administration</i>	-	14,916	14,916
<i>Legal and professional</i>	-	3,386	3,386
<i>Marketing</i>	-	475	475
<i>Depreciation</i>	-	1,224	1,224
<i>Bad debts</i>	1,850	-	1,850
<i>Independent examiners fee</i>	-	3,838	3,838
Total expenditure by activity	<u>716,524</u>	<u>69,802</u>	<u>786,326</u>

* Wages and salaries are allocated on the basis of percentage of staff time

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8. Analysis of expenditure by activity (continued) prior year

	<i>Activity undertaken directly 2022 £</i>	<i>Support cost 2022 £</i>	<i>Total funds 2022 £</i>
<i>Insurance</i>	36,836	-	36,836
<i>Maintenance</i>	390,303	-	390,303
<i>St Martin at Palace</i>	3,374	-	3,374
<i>Wages and salaries</i>	32,253	38,621	70,874
<i>Administration</i>	-	12,042	12,042
<i>Legal and professional</i>	-	17,617	17,617
<i>Marketing</i>	-	5,304	5,304
<i>Depreciation</i>	-	1,550	1,550
<i>Independent examiners fee</i>	-	3,718	3,718
<i>Total expenditure by activity</i>	<u>462,766</u>	<u>78,852</u>	<u>541,618</u>

9. Independent examiner's remuneration

	2023	2022
	£	£
Fees payable to the Company's independent examiner for the independent examination of the Company's annual accounts	<u>3,165</u>	<u>3,165</u>

10. Staff Costs

	2023	2022
	£	£
Wages and salaries	76,660	66,120
Social security costs	1,579	1,463
Pension costs	3,993	3,291
Total staff costs	<u>82,232</u>	<u>70,874</u>

The average number of persons employed by the Company during the year was as follows:

	2023	2022
Surveyor	1	1
Administration	3	2
Total	<u>4</u>	<u>3</u>

No employee received remuneration amounting to more than £60,000 in either year.

The total amount of employee benefits received by key management personnel for their services to the charity was £82,232 (2022: £70,874).

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11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 £NIL).

During the year ended 31 March 2023, expenses totalling £108 were reimbursed to 1 Trustee (2022 £61 to 1 Trustee).

12. Tangible Fixed Assets

	Fixtures and Fittings	Computer and office Equipment	Total
Cost or valuation	£	£	£
At 1 April 2022	4,765	8,964	13,729
Additions	-	1,907	1,907
At 31 March 2023	<u>4,765</u>	<u>10,871</u>	<u>15,636</u>
Depreciation			
At 1 April 2022	4,400	8,593	12,993
Charge for the year	323	901	1,224
At 31 March 2023	<u>4,723</u>	<u>9,494</u>	<u>14,217</u>
Net book value			
At 31 March 2023	<u>42</u>	<u>1,377</u>	<u>1,419</u>
<i>At 31 March 2022</i>	<i>365</i>	<i>371</i>	<i>736</i>

13. Debtors

	2023	2022
Due within one year	£	£
Trade debtors less bad debt provision	26,556	19,744
Prepayments and accrued income	19,521	29,672
Grants receivable	25,000	250,000
Total Debtors	<u>71,077</u>	<u>299,416</u>

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14. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Trade creditors	86,507	19,989
Other creditors	37,601	36,319
Accruals and deferred income	38,209	39,939
Total creditors	<u>162,317</u>	<u>96,247</u>

	2023	2022
	£	£
Deferred income at 1 April	28,840	25,830
Resources deferred during the year	33,747	28,840
Amounts released from previous periods	(28,840)	(25,830)
Deferred income at 31 March	<u>33,747</u>	<u>28,840</u>

Deferred income relates to rent and insurance received in advance

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15. Statement of Funds

Statement of funds – current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2023 £
Unrestricted funds					
Designated funds					
General unplanned repairs	50,000	-	-	-	50,000
General funds	79,788	257,084	(237,451)	(4,226)	95,195
Total unrestricted funds	<u>129,788</u>	<u>257,084</u>	<u>(237,451)</u>	<u>(4,226)</u>	<u>145,195</u>
Restricted funds					
St Margaret's development phase		(4,226)		4,226	-
St Margaret's repair phase	500,000	153,831	(503,856)	-	149,975
St Gregory's repairs	250	-	-	-	250
St Michael Coslany	16,361	24,879	(37,741)	-	3,499
Paul Bassham Trust – Glass door	699	-	-	-	699
Jarrold's Trust - Flintwork repair	1,000	-	-	-	1,000
Heavenly Gardens	18,347	732	(565)	-	18,514
The National Lottery Fund Bid – Pre-Development phase	1,663	-	-	(1,000)	663
Calthorpe Memorial Restoration	5,713	-	(6,713)	1,000	-
The Lady Hind Trust	410	-	-	-	410
Total restricted Funds	<u>544,443</u>	<u>175,216</u>	<u>(548,875)</u>	<u>4,226</u>	<u>175,010</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

15. Statement of Funds (continued)

Designated Funds - The Trustees decided in 2022 to earmark £50,000 from unrestricted reserves to establish a 'General Unplanned Repairs' fund. It is the Trustees' intention to build this fund to £150,000 over time. This reflects the fact that the trust is the custodian of 18 grade 1 listed medieval buildings and experience demonstrates that emergency repairs tend to be costly and grant funding may not always be available.

St Margaret's development phase - Due to out of time VAT reclaims, £4k was transferred from unrestricted funds to cover this spend.

St Margaret's repairs phase - Grants received during the year were from Historic England (£55k in year; £500k 21/22), Norwich Freeman's (£22.5k), Paul Bassham Trust (7k) Garfield Weston Trust (£30k) for the repairs phase at St Margaret's. The project was started in April 2022 and is expected to complete in the autumn of 2023.

St Gregory's repairs - Donation received towards repairs at St Gregory's.

St Michael Coslany - Income received during the year was VAT reclaims in respect of roof repairs. The project completed in April 2022.

Paul Bassham Trust: Glass door – the Paul Bassham Trust donated £1,000 in 2018 for the provision of a glass door.

Jarrold Trust (flintwork repairs) – Grant given in 2018 towards flintwork repairs at St Martin at Palace.

Heavenly Gardens – Ongoing project to fund the preservation and understanding of the city's churchyards, through volunteer labour, planting and educational materials. In 2019 a number of funders gave a total of £14k towards the Heavenly Gardens for Health project which was delayed due to COVID, the drought in 2022 and poor summer of 2023. This project will be relaunched in 2024. In the current year approximately £2,000 of plants were donated by a local benefactor – this has not been reflected in the fund balance.

The National Lottery Heritage Fund development phase – In 2018, the Trust transferred £7,000 from general funds to be used in the development of a The National Lottery Heritage Fund application and project. In the current year £1,000 was transferred to the Calthorpe Monument fund.

Calthorpe Monument at St Martin at Palace – Grants received for the restoration of the Calthorpe Monument from The Barbara Whatmore Charitable Trust; The Society of Antiquarians of London (William and Jane Morris Church Conservation Grants); The John Jarrold Trust; The Friends of Norwich Historic Churches Trust.

The Lady Hind Charitable Trust – Grant towards the production of information boards and interpretation at St Martin at Palace.

General Funds Transfers – the amount transferred from General Funds includes £4,226 in support of funding for the development phase of the St Margaret De Westwick project.

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15. Statement of funds (continued) – prior year

	<i>Balance at 1 April 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 March 2022 £</i>
Unrestricted funds					
Designated funds					
<i>General unplanned repairs</i>	-	-	-	50,000	50,000
General funds	138,692	240,369	(232,944)	(66,329)	79,788
Total unrestricted funds	<u>138,692</u>	<u>240,369</u>	<u>(232,944)</u>	<u>(16,329)</u>	<u>129,788</u>
Restricted funds					
<i>Historic England - St Margaret's development phase</i>	45,000	11,814	(71,973)	15,159	-
<i>Historic England - St Margaret's repair phase</i>	-	500,000	-	-	500,000
<i>St Gregory's repairs</i>	250	-	-	-	250
<i>Historic England - St Michael Coslany</i>		217,461	(201,100)	-	16,361
<i>Historic England - St John's</i>	1,408			(1,408)	-
<i>Paul Bassham Trust – Glass door</i>	699	-	-	-	699
<i>Jarrold's Trust - Flintwork repair</i>	1,000	-	-	-	1,000
<i>Heavenly Gardens</i>	7,840	12,412	(1,905)		18,347
<i>The National Lottery Fund Bid – Pre-Development phase</i>	1,663				1,663
<i>St John De Sepulchre (Heritage at risk project)</i>	29,700	1,418	(33,696)	2,578	-
<i>Calthorpe Memorial Restoration</i>	5,713	-	-	-	5,713
<i>The Lady Hind Trust</i>	410	-	-	-	410
Total restricted funds	<u>93,683</u>	<u>743,105</u>	<u>(308,674)</u>	<u>16,329</u>	<u>544,443</u>

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16. Summary of funds

Summary of funds – current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2023 £
Designated funds	50,000	-			50,000
General funds	79,788	257,084	(237,451)	(4,226)	95,195
Restricted funds	544,443	175,216	(548,875)	4,226	175,010
Total funds	<u>674,231</u>	<u>432,300</u>	<u>(786,326)</u>	-	<u>320,205</u>

Summary of funds – prior year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
Designated funds	50,000	-	-	50,000	50,000
General funds	138,692	240,369	(232,944)	(66,329)	79,788
Restricted funds	93,683	743,105	(308,674)	16,329	544,443
Total funds	<u>232,375</u>	<u>983,474</u>	<u>(541,618)</u>		<u>674,231</u>

17. Analysis of net assets between funds – current year

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	1,419	1,419
Current assets	249,033	232,070	481,103
Creditors due within one year	(74,023)	(88,294)	(162,317)
Total funds	<u>175,010</u>	<u>145,195</u>	<u>320,205</u>

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17. Analysis of net assets between funds (continued) – prior year

	<i>Restricted funds 2022 £</i>	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
<i>Tangible fixed assets</i>	-	736	736
<i>Current assets</i>	561,472	208,270	769,742
<i>Creditors due within one year</i>	(17,029)	(79,218)	(96,247)
<i>Total funds</i>	<u>544,443</u>	<u>129,788</u>	<u>674,231</u>

18. Pension commitments

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £3,993 (2022: £3,291), amounts of £nil (2022 £nil) were payable to the fund at the balance sheet date and are included in creditors.

19. Operating Lease income arrangements

The Charity earns rental income by leasing properties to tenants under non-cancellable operating leases.

At 31 March 2023 the company had contracted with tenants to receive the future minimum lease payments

	2023 £	2022 £
Within 1 year	143,867	197,950
Between 1 and 5 years	277,250	239,515
After more than 5 years	180,250	153,000
Total future lease payments	<u>601,367</u>	<u>590,465</u>

20. Related party transactions

There were no related party transactions requiring disclosure other than those disclosed in note 11.

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