

NORTHUMBRIA HISTORIC CHURCHES TRUST
TRUSTEES REPORT AND FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 31ST JANUARY 2006

Charity Number 511314

NORTHUMBRIA HISTORIC CHURCHES TRUST

ANNUAL REPORT FOR THE YEAR ENDED 31ST JANUARY 2006

The Northumbria Historic Churches Trust is constituted by Deed of Trust and is a registered charity number 511314. The principal address of the charity is The Vicarage, South Hylton, Sunderland SR4 0QB.

The charity Trustees during the year were:

Rt Hon Alan Beith MP	* J B Kendall (Architect)
* G Bell (Architect) - Chairman	* Mrs E Norris
* C Downs (Architect)	* Canon J E Ruscoe - Secretary
* Rev R Firth	Lord Vinson
* Mrs I Ferguson	* Mrs G Walker
Ven P Elliot	Sir Josslyn Gore-Booth
Mr M Festing OBE	Mrs E Conran
Mr R C Norris	

*executive committee members

A trustee is appointed on recommendations from the Bishops of Newcastle and Durham.

Other office holders are as follows:

Steeplechase Organiser (Durham)	Mrs. I. Ferguson
Steeplechase Organiser (Newcastle)	Mrs. E. Norris
Steeplechase Treasurer	B D Napier
Financial Administrator	Mrs C Courage

The patrons of the Trust are The Duke of Northumberland and Lord Barnard.

The Trust has 6 presidents

Sir Paul Nicholson <i>Lord Lt. Of Durham</i>	The Bishop of Durham
Sir John Riddell <i>Lord Lt. Of Northumberland</i>	The Bishop of Newcastle
Mr Nigel Sherlock <i>Lord Lt. Of Tyne and Wear</i>	The Bishop of Hexham and Newcastle

Principal advisers to the Trust are:

Bankers:

Barclays Bank plc Priestpople Hexham Northumberland	The Royal Bank of Scotland plc 31 Grey Street Newcastle upon Tyne
	COIF Charity Funds 80 Cheapside LONDON EC2V 6DZ

ANNUAL REPORT FOR THE YEAR ENDED 31ST JANUARY 2006 (Continued)

Accountants: Ryecroft Glenton
32 Portland Terrace
Newcastle upon Tyne
NE2 1QP

Trustees responsibility for the accounts

Charity law requires the Trustees to prepare statements of account for each financial year which give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources for that period. In preparing those financial statements, the Trustees are required to:

- * select suitable accounting policies and apply them consistently;
- * make judgements and estimates that are reasonable and prudent;
- * to value assets and liabilities in accordance with the Statement of Recommended Practice 2000: Accounting and reporting by Charities;

The Trustees are responsible for keeping proper accounting records which are sufficient to show and explain the charity's transactions and to disclose with reasonable accuracy at any time the financial position of the Trust, and to enable them to ensure that any statements of account comply with the requirements of the Charity (Accounts and Reports) Regulations 2000. 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.

These accounts comply with current statutory requirements and the charity's governing documents.

Appointment of Independent Examiner

Mr J. G. White of Ryecroft Glenton has signified his willingness to continue in office and a resolution to re-appoint him for the ensuing year will be put at the annual general meeting.

Aims and organisation

The Trust is involved in raising money in order to make grants to churches and chapels built more than 100 years ago. The main fundraising activity of the year is the annual Steeplechase. Other sources of income are donations, covenants and investment income. All officers of the Trust carry out their duties on a purely voluntary basis.

Reserves policy

The Trustees do not presently have a formal policy on reserves but have adopted a strategy of making annual grants approximately equal to 25% of the reserves. This will enable the Trustees to continue to make grants in those years when income is less than anticipated. It also allows for the investment of funds in order to increase income.

Investment selection policy

The Trustees do not consider that equity investments are appropriate to the Trust's requirements and that a balance between cash on deposit and fixed interest securities is more appropriate to its needs, given the requirement to maximise income.

Review of progress and achievements

Progress during the year has been very satisfactory, enabling the Trust to fulfil its aims as a result of the generous support of all contributors.

ANNUAL REPORT FOR THE YEAR ENDED 31ST JANUARY 2006 (Continued)**Review of financial activities**

The Trust has had another successful year of fundraising.

The Steeplechase operation has once again been a great success with the help of the unstinting efforts of its organisers and treasurer. Steeplechase funds are raised by members of the congregations of churches and chapels participating in a one-day sponsored event involving visiting as many other churches and chapels as possible. The entire proceeds raised are then remitted to the Trust, a small administration charge is deducted before 50% of the remainder is returned to the church or chapel.

Generous donations from supporters provided the Trust with donations income of £49,042. This together with the large sums raised by the Steeplechase have enabled the Trust to pay out the grants listed in Note 3.

The Trust would not be able to operate without the efforts of all its voluntary helpers enabling it to provide a significant impact on the preservation of churches and chapels.

Review of Investments

During the year the trust has not bought or sold any investments. The unrealised loss is due to the fall in market value of investments held during the year.

On behalf of the Board of Trustees
Canon J E Ruscoe
16 May 2006

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
NORTHUMBRIA HISTORIC CHURCHES TRUST**

I report on the accounts of the trust for the year ended 31st January 2006, which are set out on pages 3 to 7.

Respective responsibilities of trustees and examiner

As the charity's trustees you are responsible for the preparation of the accounts; you consider that the audit requirement of section 43(2) of the Charities Act 1993 (the Act) does not apply. It is my responsibility to state, on the basis of procedures specified in the General Directions given by the Charity Commissioners under section 43(7)(b) of the Act, whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. 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 of disclosures in the accounts, and the seeking of 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 I do not express an audit opinion on the view given by the accounts.

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 41 of the Act; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 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.

J G White
Ryecroft Glenton
Chartered Accountants
Newcastle upon Tyne

22 May 2006

NORTHUMBRIA HISTORIC CHURCHES TRUST

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31ST JANUARY 2006

	2006 £	2005 £
Incoming Resources		
Donations, Legacies and similar incoming resources:		
Trust donation	43,250	17,350
Other donations	1,705	640
Covenant and Gift Aid Income (Gross)	<u>4,087</u>	<u>3,565</u>
	<u>49,042</u>	<u>21,555</u>
Investment income		
Treasury stock interest	3,383	3,383
Bank interest	603	716
COIF interest	<u>6,053</u>	<u>4,793</u>
	<u>10,039</u>	<u>8,892</u>
Activities for generating funds		
Subscriptions	3,600	2,816
Steeplechase	24,241	22,175
Sale of cards, tea towels etc.	1,302	1,466
Events	865	825
Sale of painting	<u>300</u>	<u>-</u>
	<u>30,308</u>	<u>27,282</u>
Total incoming resources	<u>89,389</u>	<u>57,729</u>
Resources Expended		
Direct charitable expenditure:		
Grants to churches (Note 3)	29,900	19,400
Steeplechase expenses and parish share	12,241	11,429
Events expenses etc.	1,015	684
Cost of cards, calendars etc.	1,231	424
Other expenditure (Inc VAT):		
Management and administration (Note 4)	5,011	4,872
Accountant's fee	1,328	820
Accountant's fee for independent examination	130	130
Stagshaw surplus repaid	-	266
Depreciation charge	<u>102</u>	<u>102</u>
Total resources expended	<u>50,958</u>	<u>38,127</u>
Net incoming/(outgoing) resources	38,431	19,602
Unrealised loss on investments	<u>(6)</u>	<u>(1,094)</u>
Net movement in funds	38,425	18,508
Total funds brought forward	<u>199,025</u>	<u>180,517</u>
Total funds carried forward	<u>237,450</u>	<u>199,025</u>
All funds are unrestricted		

NORTHUMBRIA HISTORIC CHURCHES TRUST

BALANCE SHEET

AS AT 31ST JANUARY 2006

	Notes	2006		2005	
		£	£	£	£
Fixed assets					
Tangible assets	5		105		207
Investments	6		<u>91,940</u>		<u>91,946</u>
			92,045		92,153
Current assets					
Stock of cards and tea towels		1,400		1,600	
Debtors		2,123		858	
Cash at bank		<u>143,365</u>		<u>105,649</u>	
		<u>146,888</u>		<u>108,107</u>	
Creditors: amounts falling due within one year					
Accountancy fee		1,233		950	
Other creditors		<u>250</u>		<u>285</u>	
		<u>1,483</u>		<u>1,235</u>	
Net current assets			<u>145,405</u>		<u>106,872</u>
Net assets			<u>237,450</u>		<u>199,025</u>
Funds					
Unrestricted			<u>237,450</u>		<u>199,025</u>
			<u>237,450</u>		<u>199,025</u>

Approved by the Trustees on 16 May 2006 and signed on their behalf by:

Canon J. E. Ruscoe Secretary

G. Bell Chairman

The notes on pages 5 to 7 form part of these accounts

NORTHUMBRIA HISTORIC CHURCHES TRUST

Notes to the accounts

For the year ended 31st January 2006

1 Accounting policies

General

These accounts have been prepared under the historical cost convention except for investments which are recorded at their market value, and in accordance with applicable accounting standards and SORP 2000 (Statement of Recommended Practice: Accounting and Reporting by Charities), and the Charities Act.

Income and expenditure

Donations and legacies are accounted for as they are received by the Trust. Other income is accounted for on an accruals basis as far as it is prudent to do so.

Grants payable

Grants payable to churches are recognised on receipt of an architect's completion certificate from the church, following the completion of the bulk of the work.

Depreciation

Office equipment is depreciated over 4 years straight line.

Stock

Stock is valued at the lower of cost and net realisable value.

2 Donations and Contributions received for £500 or over

	Unrestricted £
The WA Handley Charity Trust	750
The Robin Rowell Charity Trust	25,000
The Sir James Knott Trust	17,500
The Right Rev AAK Graham	2,500
Lord Vinson	<u>1,000</u>
	<u>46,750</u>

NORTHUMBRIA HISTORIC CHURCHES TRUST

Notes to the accounts for the year ended 31st January 2006 (Continued)

3a) Grants paid to churches

During the year the following grants were paid to churches:

Church	Object	Amount £
Belford UR	Window frame renewal	250.00
Birtley, St Giles	Repointing spire, bell tower & external wall	2,500.00
Birtley, St Giles	Renewal of spire finial	1,000.00
Blackhall, St Andrews	East window protection	250.00
Byker, St Michael	Chancel roof repairs	1,000.00
Darlington, St James	Stonework & guttering	5,000.00
Esh, St Michaels & All Angels	Porch & roof restoration	1,500.00
Gateshead, St George	Dry rot	400.00
Gateshead, Durham Road Baptist Church	General repairs, guttering, pointing gable end	1,500.00
Gateshead, Durham Road Baptist Church	Roof and front pediment repairs	500.00
Hedworth, St Nicholas	Woodworm, retiling	2,500.00
Holystone, St Mary the Virgin	General repairs	3,000.00
Horton, St Mary	Reslating – preliminary survey	500.00
Horton, St Mary	Roof & other repairs	4,000.00
Matfen	Lead gutter renewal	500.00
Prudhoe Our Lady & St Cuthbert	Stonework and guttering	2,500.00
Rothbury, All Saints	General repairs	1,000.00
Stannington, St Mary the Virgin	Rewiring & lighting	1,000.00
Stanley (Crook), St Thomas	Spire stonemasonry	1,000.00
		<u>29,900.00</u>

3b) Grants offered year ending January 2006 not yet paid

Note: Actual payments may vary from the figures shown.

Church	Object	Amount £
Bensham, St Cuthbert	Major refurbishment	4,000.00
Bishopwearmouth Pallion, St Luke	Stonework pointing	2,000.00
Greenhead, St John	Spire reshingling	2,250.00
Horsley, Ecumenical Church	Spirelet reslating	2,000.00
Longhirst, St John	Spire repairs	1,250.00
Otterburn, St John	General repairs	1,500.00
Sleekburn, PCC	Guttering repairs, pointing & stone dressing	1,500.00
Stannington, St Mary the Virgin	Stonework repairs	2,500.00
		<u>17,000.00</u>

NORTHUMBRIA HISTORIC CHURCHES TRUST

Notes to the accounts

For the year ended 31st January 2006 (Continued)

4 Management and Administration expenses

During the year the following management and administration expenses were incurred.

	2006	2005
	£	£
Postage, telephone, hire of office equipment, insurance, printing and stationery	3,246	3,343
Financial Administrator	1,010	1,045
Other expenses	<u>755</u>	<u>484</u>
	<u><u>5,011</u></u>	<u><u>4,872</u></u>

No trustee has received remuneration or reimbursement of expenses for any services provided to the charity.

5 Tangible assets

	Computer	Guillotine	Fax machine	Total
	£	£	£	£
Cost at 1 February 2005 and at 31st January 2006	<u>1,895</u>	<u>423</u>	<u>411</u>	<u>2,729</u>
Depreciation at 1 February 2005	1,895	423	204	2,522
Charge for year	<u>-</u>	<u>-</u>	<u>102</u>	<u>102</u>
At 31 January 2006	<u>1,895</u>	<u>423</u>	<u>306</u>	<u>2,624</u>
Net Book Value at 31 January 2006	<u>-</u>	<u>-</u>	<u>105</u>	<u>105</u>
Net Book Value at 31 January 2005	<u>-</u>	<u>-</u>	<u>207</u>	<u>207</u>

6 Fixed Asset Investments

	Treasury Stock	COIF Fixed Interest Fund	2006	2005
	£	£	£	£
Market Value at 1 February 2005	44,639	47,307	91,946	93,040
Net unrealised investment (loss)/gain	<u>(1,208)</u>	<u>1,202</u>	<u>(6)</u>	<u>(1,094)</u>
Market Value at 31 January 2006	<u>43,431</u>	<u>48,509</u>	<u>91,940</u>	<u>91,946</u>
Historical cost as at 31 January 2006	<u>40,000</u>	<u>50,000</u>	<u>90,000</u>	<u>90,000</u>