

NORTHUMBRIA HISTORIC CHURCHES TRUST

UNAUDITED

TRUSTEES REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2008

NORTHUMBRIA HISTORIC CHURCHES TRUST

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NORTHUMBRIA HISTORIC CHURCHES TRUST

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 JANUARY 2008

Trustees

G Bell BA BArch FRSA, Chairman
C Downs BArch RIBA
Rev R Firth (resigned 31/10/2007)
Mrs I Ferguson
Ven P Elliott
Mr M Festing OBE MA TD DL
J B Kendall DiplArch RIBA
Mrs E Norris
Mr R C Norris
Mrs G Walker
Sir Josslyn Gore - Booth Bt
Mrs E Conran OBE MA FMA
The Rev Canon J E Ruscoe
The Rev T Hurst (appointed 1/10/2007)
Mr P Ryder (appointed 1/10/2007)

Charity registered number

511314

Principal office

20 Aykley Vale
Aykley Heads
Durham
DH1 5WA

Secretary

Mr N P de Lange

Accountants

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

Bankers

Barclays Bank
Hexham
Northumberland

COIF Charity Funds
80 Cheapside
London
EC2V 6DZ

Website Address: NorthumbriaHCT.org.uk

NORTHUMBRIA HISTORIC CHURCHES TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 JANUARY 2008

The Trustees present their annual report together with the financial statements of The Northumbria Historic Churches Trust (the charity) for the year ended 31 January 2008. The Trustees confirm that the annual report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

STRUCTURE, GOVERNANCE AND MANAGEMENT

● CONSTITUTION

The principal object of the charity is to make grants to Christian Churches and chapels of historic interest.

● METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

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

● ORGANISATIONAL STRUCTURE

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

The trust would normally have three presidents, The third presidential position is currently vacant, the two serving presidents are:

The Bishop of Durham
The Bishop of Newcastle

The Vice Presidents are:

The Rt Hon Sir Alan Beith MP PC	
Sir Paul Nicholson	Lord Lieutenant of Durham
Sir John Riddell	Lord Lieutenant of Northumberland
Mr Nigel Sherlock	Lord Lieutenant of Tyne and Wear
Lord Vinson	

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	A Rivers

● RISK MANAGEMENT

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate their exposure to the major risks.

OBJECTIVES AND ACTIVITIES

● VOLUNTEERS

Those Trustees who are office holders carry out their duties on a purely voluntary basis.

ACHIEVEMENTS AND PERFORMANCE

● REVIEW OF ACTIVITIES

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.

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

NORTHUMBRIA HISTORIC CHURCHES TRUST

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 JANUARY 2008

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 and legacies from supporters provided the Trust with income of £56,531. This together with large sums raised by the Steeplechase, other events and from investments has enabled the Trust to pay and offer the grants listed in notes 6 & 7.

● INVESTMENT POLICY AND PERFORMANCE

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.

FINANCIAL REVIEW

● RESERVES POLICY

Trustees' policy is to offer grants in any one year up to the aggregate of that years net normal income plus no more than 20% of reserves. This should avoid major changes from year to year in the grants budget.

This report was approved by the Trustees on 15 October 2008 and signed on their behalf, by:

G Bell BA BArch FRSA, Chairman

NORTHUMBRIA HISTORIC CHURCHES TRUST

INDEPENDENT EXAMINERS REPORT FOR THE YEAR ENDED 31 JANUARY 2008

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

I report on the accounts of the charity for the year ended 31 January 2008 which are set out on pages 5 to 14.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER

As described on page 3 the Trustees are responsible for the preparation of the accounts, and they consider that an audit is not required for this year (under section 43(2) of the Charities Act 1993 (the Act)) and that an independent examination is needed. It is our responsibility to:

- examine the accounts (under section 43(3)(a) of the Act);
- follow the procedures laid down in the General Directions given by the Charity Commissioners (under section 43(7)(b) of the Act); and
- state whether particular matters have come to our attention.

BASIS OF INDEPENDENT EXAMINER'S STATEMENT

Our examination was carried out in accordance with 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 or disclosures in the accounts, and seeking explanations from the Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently we do not express an audit opinion on the accounts.

INDEPENDENT EXAMINER'S STATEMENT

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

- (1) which gives us 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 comply with the accounting requirements of the Acthave not been met; or
- (2) to which, in our opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed:

Dated: 28 October 2008

J G White FCA

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

NORTHUMBRIA HISTORIC CHURCHES TRUST

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JANUARY 2008**

	Note	Unrestricted Funds 2008 £	Total Funds 2007 Restated £
INCOMING RESOURCES			
Incoming resources from generated funds:			
Voluntary income	2	56,531	27,111
Activities for generating funds	3	28,162	27,877
Investment income	4	12,190	11,989
		96,883	66,977
TOTAL INCOMING RESOURCES			
RESOURCES EXPENDED			
Costs of generating funds:			
Costs of generating income	5	13,363	14,254
Charitable activities	6 & 7	44,000	44,200
Governance costs	8	9,639	10,927
		67,002	69,381
TOTAL RESOURCES EXPENDED			
NET INCOMING RESOURCES / (RESOURCES EXPENDED) BEFORE REVALUATIONS		29,881	(2,404)
Gains and losses on revaluations of investment assets	12	(457)	(4,947)
NET MOVEMENT IN FUNDS FOR THE YEAR		29,424	(7,351)
<i>Total funds at 1 February 2007</i>		<i>212,599</i>	<i>219,950</i>
TOTAL FUNDS AT 31 JANUARY 2008		242,023	212,599

The notes on pages 7 to 14 form part of these financial statements.

NORTHUMBRIA HISTORIC CHURCHES TRUST

**BALANCE SHEET
AS AT 31 JANUARY 2008**

	Note	£	2008 £	2007 Restated £	£
FIXED ASSETS					
Tangible fixed assets	11		-		-
Fixed asset investments	12		56,390		86,993
CURRENT ASSETS					
Stocks		1,400		1,300	
Debtors	13		2,593		1,215
Cash at bank			243,675		166,970
			<u>247,668</u>		<u>169,485</u>
CREDITORS: amounts falling due within one year	14		<u>(62,035)</u>		<u>(43,879)</u>
NET CURRENT ASSETS			<u>185,633</u>		<u>125,606</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>242,023</u>		<u>212,599</u>
CHARITY FUNDS					
Unrestricted funds	15		<u>242,023</u>		<u>212,599</u>
TOTAL FUNDS			<u>242,023</u>		<u>212,599</u>

The financial statements were approved by the Trustees on 15 October 2008 and signed on their behalf, by:

G Bell BA BArch FRSA, Chairman

Mr N P de Lange, Secretary

The notes on pages 7 to 14 form part of these financial statements.

NORTHUMBRIA HISTORIC CHURCHES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2008

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007). The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" published in March 2005 and applicable accounting standards.

1.2 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 charity 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.

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

1.3 INCOMING RESOURCES

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

Donated services or facilities, which comprise donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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

NORTHUMBRIA HISTORIC CHURCHES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2008

1. ACCOUNTING POLICIES (continued)

1.4 RESOURCES EXPENDED

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Grants payable are provided for in the year when the offer is made, although payment to the church is not made until the terms of the offer have been satisfied, which can routinely be up to two years from the date of offer.

1.5 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Office equipment - 25% Straight line

1.6 INVESTMENTS

Investments are stated at market value at the balance sheet date. The statement of financial activities includes the net gains and losses arising on revaluations and disposals throughout the year.

2. VOLUNTARY INCOME

	Unrestricted Funds	<i>Total Funds 2007 Restated</i>
	2008	<i>Restated</i>
	£	<i>£</i>
Trust Donations	19,200	<i>18,850</i>
Other donations and subscriptions	9,331	<i>8,261</i>
Legacies - Charles Warwick	28,000	<i>-</i>
	<hr/>	<hr/>
Voluntary income	56,531	<i>27,111</i>
	<hr/> <hr/>	<hr/> <hr/>

It is Trust policy to publish details of individual cash donations and contributions of £500 and over, unless the donor wishes to be anonymous. Included in the table above are the following donations.

NORTHUMBRIA HISTORIC CHURCHES TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2008**

	2008	<i>2007</i>
	£	£
The W A Handley Charity Trust	1,000	750
The Sir James Knott Trust	17,500	17,500
Lord Vinson	1,000	-
Anonymous	2,500	2,500
	<hr/>	<hr/>
Total	22,000	20,750
	<hr/> <hr/>	<hr/> <hr/>
 3. FUNDRAISING INCOME		
	Unrestricted Funds	<i>Total Funds 2007 Restated</i>
	2008	£
	£	£
Steeplechase	23,093	25,714
Sale of retail items	1,087	1,220
Events	3,982	943
	<hr/>	<hr/>
	28,162	27,877
	<hr/> <hr/>	<hr/> <hr/>
 4. INVESTMENT INCOME		
	Unrestricted Funds	<i>Total Funds 2007 Restated</i>
	2008	£
	£	£
COIF interest	9,721	8,437
Treasury stock interest	2,102	3,383
Bank interest	367	169
	<hr/>	<hr/>
	12,190	11,989
	<hr/> <hr/>	<hr/> <hr/>
 5. COSTS OF GENERATING VOLUNTARY INCOME		
	Unrestricted Funds	<i>Total Funds 2007 Restated</i>
	2008	£
	£	£
Steeplechases expenses, includes churches' shares	12,820	13,286
Event expenses etc	100	186
Cost of retail items	443	782
	<hr/>	<hr/>
	13,363	14,254
	<hr/> <hr/>	<hr/> <hr/>

NORTHUMBRIA HISTORIC CHURCHES TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2008**

6. Grants offered to churches

	2008	2007
	£	£
St John the Baptist Alnmouth	1,500	-
Holy Sepulchre Ashington	3,000	-
Holy Cross Chatton	1,500	-
St Giles Chollerton	4,000	-
St Mary the Virgin Easington	4,000	-
Durham Road Baptist Church Gateshead	1,500	5,000
St Oswald Halton	1,000	-
St Michael Heighington	4,000	-
St Michael & All Angels Houghton-le-Spring	5,000	-
St Michael Ilderton	3,000	-
Methodist Chapel Ingleton	2,000	-
All Saints Monkwearmouth	4,000	-
Holy Cross Ryton	5,000	-
St Andrew Stanley	2,000	-
St Ignatius the Martyr Hendon Sunderland	2,500	-
St Mary the Virgin Cockfield	-	5,000
St George Cullercoats	-	5,000
SS Matthew & Luke Darlington	-	1,000
Elvet Methodist Durham	-	1,000
Gosforth Trinity	-	5,000
St John the Baptist Meldon	-	1,000
All Saints Muggleswick	-	500
St John Seaham	-	5,000
St John Stillington	-	4,200
St Luke Pallion Sunderland	-	5,000
St Andrew Roker Sunderland	-	5,000
St Mary Mission Church Woodland	-	1,500
	44,000	44,200
Total	44,000	44,200

NORTHUMBRIA HISTORIC CHURCHES TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2008**

7. Grant offers outstanding at the year end

	2008	<i>2007</i>
	£	£
St Mary the Virgin Cockfield	-	5,000
St George Cullercoats	5,000	5,000
SS Matthew & Luke Darlington	-	1,000
Durham Road Baptist Church Gateshead	-	5,000
St John the Baptist Meldon	1,000	1,000
St John Seaham	5,000	5,000
St Hilda South Shields	-	2,500
St John Stillington	-	4,200
St Luke Pallion Sunderland	5,000	5,000
St Andrew Roker Sunderland	-	5,000
St Mary Mission Church Woodland	1,500	1,500
St John the Baptist Alnmouth	1,500	-
Holy Sepulchre Ashington	3,000	-
Holy Cross Chatton	1,500	-
St Giles Chollerton	4,000	-
St Oswald Halton	1,000	-
St Michael Heighington	4,000	-
St Michael & All Angels Houghton-le-Spring	5,000	-
St Michael Ilderton	3,000	-
All Saints Monkwearmouth	4,000	-
Holy Cross Ryton	5,000	-
St Andrew Stanley	2,000	-
St Ignatius the Martyr Hendon Sunderland	2,500	-
	<hr/>	<hr/>
Total	54,000	<i>40,200</i>
	<hr/> <hr/>	<hr/> <hr/>

8. GOVERNANCE COSTS

	Unrestricted Funds	<i>Total Funds 2007 Restated</i>
	2008	<i>Restated</i>
	£	£
Accountant's fees	1,703	1,015
Marketing expenses	319	-
Secretary's expenses	1,513	-
General administrative expenses	2,027	3,973
Financial administrator's and Secretary's remuneration	4,077	5,834
Depreciation charge	-	105
	<hr/>	<hr/>
	9,639	<i>10,927</i>
	<hr/> <hr/>	<hr/> <hr/>

NORTHUMBRIA HISTORIC CHURCHES TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2008**

9. NET INCOMING RESOURCES / (RESOURCES EXPENDED)

This is stated after charging:

	2008	2007
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	-	105
Accountant's fees	1,703	1,015
	<u><u> </u></u>	<u><u> </u></u>

During the year, no Trustees received any remuneration (2007 - £NIL).
 During the year, no Trustees received any benefits in kind (2007 - £NIL).
 During the year, no Trustees received any reimbursement of expenses (2007 - £NIL).

10. STAFF COSTS

Staff costs were as follows:

	2008	2007
	£	£
Wages and salaries	4,077	5,834
	<u><u> </u></u>	<u><u> </u></u>

The average monthly number of employees during the year was as follows:

	2008	2007
	No.	No.
Management and Administration	2	2
	<u><u> </u></u>	<u><u> </u></u>

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

11. TANGIBLE FIXED ASSETS

	Furniture, fittings and equipment £
COST	
At 1 February 2007 and 31 January 2008	2,729
DEPRECIATION	
At 1 February 2007 and 31 January 2008	2,729
NET BOOK VALUE	
At 31 January 2008	-
<i>At 31 January 2007</i>	-
	<u><u> </u></u>

NORTHUMBRIA HISTORIC CHURCHES TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2008**

12. FIXED ASSET INVESTMENTS

	Listed securities £	Other investments £	Total £
MARKET VALUE			
At 1 February 2007	41,445	45,548	86,993
Profit/(Loss) on revaluations	(464)	7	(457)
Disposal proceeds	(30,146)	-	(30,146)
	10,835	45,555	56,390
	10,000	50,000	60,000

INVESTMENTS AT MARKET VALUE COMPRISE:

	2008 £		2007 £
Treasury Stock	10,835		41,445
COIF Fixed Interest Fund	45,555		45,548
	56,390		86,993
	56,390		86,993

All the fixed asset investments are held in the UK

13. DEBTORS

	2008 £		2007 £
Other debtors	2,593		1,215
	2,593		1,215
	2,593		1,215

**14. CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2008 £		2007 £
Grant offers outstanding at the year end (note 7)	54,000		40,200
Other creditors	6,494		2,429
Accruals and deferred income	1,541		1,250
	62,035		43,879
	62,035		43,879

NORTHUMBRIA HISTORIC CHURCHES TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2008**

15. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Gains/ (Losses) £	Carried Forward £
UNRESTRICTED FUNDS					
General Funds	212,599	96,883	(67,002)	(457)	242,023
	<u>212,599</u>	<u>96,883</u>	<u>(67,002)</u>	<u>(457)</u>	<u>242,023</u>

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Gains/ (Losses) £	Carried Forward £
General funds	212,599	96,883	(67,002)	(457)	242,023
	<u><u>212,599</u></u>	<u><u>96,883</u></u>	<u><u>(67,002)</u></u>	<u><u>(457)</u></u>	<u><u>242,023</u></u>