

Charity Number: 282159

THE SUSSEX HISTORIC CHURCHES TRUST

**ACCOUNTS FOR THE YEAR ENDED
31 DECEMBER 2016**

THE SUSSEX HISTORIC CHURCHES TRUST

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FOR THE YEAR ENDED 31 DECEMBER 2016

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THE SUSSEX HISTORIC CHURCHES TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

The Trustees present herewith their annual report, together with the accounts of the charity for the year ended 31 December 2016. The financial statements have been prepared in accordance with the accounting policies set out on page 8 and comply with the charity's trust deed and applicable law.

REFERENCE AND ADMINISTRATION INFORMATION

Name & Address	The Sussex Historic Churches Trust 211 New Church Road, Hove, BN3 4ED
Charity No	2823159
President and Trustee	The Bishop of Chichester The Lord Lieutenant of West Sussex The Lord Lieutenant of East Sussex
Trustees	Mr Christopher Whittick (Chairman) Mr John Barkshire Mr Graham Pound Mr Jonathan Prichard Mrs Sara Stonor DL (Vice Chairman)
Executive Committee	All Trustees plus: Prof Robin Milner-Gulland Dr David Parsons BA PhD FSA Mr Peter Pritchett RIBA Mrs Joy Taylor Mr Jonathan Coad Miss Zoe McMillan Mrs Hilary Tupper The Venerable Douglas McKittrick The Venerable Edward Dowler The Venerable Fiona Windsor The Venerable Martin Lloyd-Williams
Secretary	Mrs Patricia Farmer
Treasurer	Mr John Barkshire
Independent Examiner	Manningtons 8 High Street, Heathfield, East Sussex, TN21 8LS
Bankers	National Westminster Bank Plc

THE SUSSEX HISTORIC CHURCHES TRUST

TRUSTEES' REPORT continued

FOR THE YEAR ENDED 31 DECEMBER 2016

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governance document	Trust Deed dated 11 August 1956 as amended by the Memorandum of Amendment dated 6 June 2005.
Trustee recruitment	A policy has been adopted for the recruitment and appointment of new Trustees and for their induction and training.
Decision making	Trustees alone approve the Report and Accounts and the investment policy and strategy. All other decisions are made by the Executive Committee which includes Trustees as well as other expert and specialist advisors.
Risks	A review has taken place of the major risks to which the charity is exposed and a policy put in place to minimise those risks.

OBJECTS AND ACTIVITIES

Objectives	The object of the charity is the preservation, repair, maintenance, improvement, upkeep, beautification and reconstruction of churches (including a cathedral, abbey, minster or priory church), chapels or other buildings used for public worship in Sussex whether belonging to or used by the Church of England or any other religious body.
Public Benefit	The trustees have complied with their duty to have due regard to the guidance on public benefit published by the Commission in exercising their powers or duties.
Grants	The charity meets its objectives entirely through giving grants to individual churches. Applications for grants are considered at the three meetings of the Executive Committee. Grants are currently confined to works of essential repairs to the fabric of places of worship, the emphasis being on maintaining the structure wind and weather proof. Priority is given to buildings over 100 years old and of particular historical or architectural interest.

ACHIEVEMENT AND PERFORMANCE

The Trust made eight grants to churches totalling sum of £40,000 compared with fourteen (£94,500) in 2015. This level of grants was the result of a lower level of demand. It is expected that the Trust will be asked to make some significant grants in 2017.

Net Income from Ride and Stride was again slightly lower. This was due to fewer churches participating and action is being taken to address this issue.

Another generous legacy was received and two exceptional donations.

Investment income was slightly higher due to a one-off extra dividend of £ 14,000.

This collective higher income combined with the lower level of grants led to a surplus of over £ 72,000. This was largely used to increase our investment portfolio by £ 62,000. This combined investment gain of £ 156,000 led to our total resources rising to £ 1,575,000. This is a satisfactory outcome.

THE SUSSEX HISTORIC CHURCHES TRUST

TRUSTEES' REPORT continued

FOR THE YEAR ENDED 31 DECEMBER 2016

FINANCIAL REVIEW

Reserves Policy

It is the policy of the charity to maintain sufficient cash funds to meet its anticipated expenditure on management and administration expenses and charitable grants. Reserves of at least the current total level, maintained in real terms, are necessary to ensure that the work of the Trust could continue even if there were a drop in the variable levels of income. The fluctuation in the value of the reserves over past years emphasises the need to have significant capital to maintain the current grant level.

Principle Funding Sources and Expenditure

The principle funding still comes from Ride and Stride (net £23,000) and Investments (£52,000). These together with gift aid tax reclaims (approximately £6,500 pa) cover our grants each year and the governance costs (£ 3,145)

Investment Policy

There are no restrictions to the charity's power to invest. The Trustees manage the investment portfolio with a policy of maintaining income while preserving the real value of endowed investments. A medium to low risk policy is adopted with investments split between fixed interest(property) and equities with no more than about 20% of the fund being invested through any one manager. All the managers used have formally adopted an acceptable ethical standard.

THE SUSSEX HISTORIC CHURCHES TRUST

TRUSTEES' REPORT continued

FOR THE YEAR ENDED 31 DECEMBER 2016

FUTURE PERIODS

The Trust will continue to support Ride and Stride, encourage donations and legacies, and seek to increase the investment income. A steadily rising income stream will allow the Trust to maintain a responsible and practical level of grants that keep pace with inflation.

The Trustees can foresee ever increasing demands on parish income, particularly from a rising quota, and this, combined with the increasing costs of maintaining and repairing valuable historic buildings is likely to lead to constantly larger applications for financial support. The Trustees principle objective is to be able to meet these demands.

The Trustees believe that the financial surpluses achieved in recent years should enable the Trust to continue its current average level of grants (£75,000 pa) but it is unlikely that this level can normally be substantially raised. The Trust currently has £100,000 in the Bank. This will enable it to meet outstanding grant commitments (£30,000) and to fund future grants.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity and of the incoming resources and application of resources of the charity for that year. In preparing these financial statements the trustees are required to:

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011 and the Charity (Accounts and Reports) Regulations 2008. 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.

This report was approved by the trustees on.....2017

Signed on behalf of the Trustees:

.....
Christopher Whittick (Chairman)

THE SUSSEX HISTORIC CHURCHES TRUST

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF

THE SUSSEX HISTORIC CHURCHES TRUST

I report on the financial statements of The Sussex Historical Churches Trust for the year ended 31 December 2016 set out on pages 2 to 10.

Respective responsibilities of trustees and examiner

As the charity's trustees are responsible for the preparation of the accounts, you consider that the audit requirement of section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- Examine the accounts under section 145 of the 2011 Act;
- Follow the procedures laid down in the General Directions given by the Charity Commission under section 145 (5) (b) of the Act; and
- State whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with General Directions given by the Charity Commission. 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 no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention

- (i) which gives me reasonable cause to believe that in, any material respect the requirements:
 - to keep proper accounting in accordance with section 130 of the Act; and
 - to prepared accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Act have not been met; or
- (ii) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

A.E.J. Staples BSc FCA CTA
Chartered Accountant
Independent examiner
Manningtons
8 High Street
Heathfield
East Sussex TN21 8LS

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A.E.J. Staples BSc FCA CTA

Date:2016

THE SUSSEX HISTORIC CHURCHES TRUST

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2016

		Unrestricted funds	
	Notes	2016	2015
		£	£
Incoming resources:			
Voluntary income	2	11,260	5,740
Activities to generate funds	3	49,332	50,954
Investment income	4	66,672	50,827
Other incoming resources	5	11,845	24,504
Total income resources		139,109	132,025
Resources expended:			
Fundraising costs	3	26,643	26,717
Charitable Activities (Grants)	6	37,000	94,500
Governance	7	3,145	3,312
Total resources expended		66,788	124,529
Net Incoming Resources		72,321	7,496
Profit/(Loss) on Investments	9	156,850	(10,462)
Net movement in funds		229,171	(2,966)
Total funds brought forward		1,346,126	1,349,092
Total funds carried forward		<u>1,575,297</u>	<u>1,346,126</u>

The notes on pages 8 to 10 form an integral part of these financial statements

THE SUSSEX HISTORIC CHURCHES TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2016

		Unrestricted funds			
	Notes	2016		2015	
		£	£	£	£
Fixed Assets					
Investments	9		1,504,791		1,286,049
Current assets					
Cash at bank		100,869		121,940	
Debtors		<u>-</u>		<u>-</u>	
Total current assets		100,869		121,940	
Creditors: amounts falling due within one year	10	<u>(30,363)</u>		<u>(61,863)</u>	
Net current assets			<u>70,506</u>		<u>60,077</u>
Net assets			<u>1,575,297</u>		<u>1,346,126</u>
Represented by:					
Unrestricted funds			<u>1,575,297</u>		<u>1,346,126</u>

Approved:

On behalf of the Board of Trustees

Date:2017.

The notes on pages 8 to 10 form an integral part of these financial statements

THE SUSSEX HISTORIC CHURCHES TRUST

Notes forming part of the financial statements

for the year ended 31 December 2016

1. Accounting policies

(a) Accounting convention

The financial statements are prepared under the historical cost convention as modified by the inclusion of investments at market value and in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP 2005) issued March 2005, the Financial Reporting Standard for Smaller Entities(Effective April 2008) and the Charities Act 2011.

(b) Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. Investment income is accounted for in the period in which the charity is entitled to receipt.

(c) Resources expended

Expenditure is included on an accruals basis as the liability is incurred. Expenditure included any VAT which can not be recovered and is reported as part of the expenditure to which it relates.

Grants payable are charged in the year when the offer is conveyed to the recipient.

(d) Fixed asset investments

Investments are included at closing mid-market value at the balance sheet date. Any gain or loss on revaluation is taken to the Statement of Financial Activities.

2. Voluntary income

	2016	2015
	£	£
Donations	9,910	3,468
PCC donations	1,100	522
Friends' donation	-	1,500
From R & S	250	250
	<u>11,260</u>	<u>5,740</u>

3. Activities to generate funds

	2016	2015
	£	£
Gross receipts	45,455	50,573
Previous year adjustment	3,878	381
	<u>49,333</u>	<u>50,954</u>
Returned to Parishes	(22,927)	(24,240)
Expenses	(3,716)	(2,477)
Net receipts	<u>22,690</u>	<u>24,237</u>

4. Investment income

	2016	2015
	£	£
Dividends	66,545	50,647
Interest	127	180
	<u>66,672</u>	<u>50,827</u>

THE SUSSEX HISTORIC CHURCHES TRUST

Notes forming part of the financial statements

for the year ended 31 December 2016

5. Other incoming resources

	2016	2015
	£	£
Legacies	5,250	2,001
Tax Reclaim	6,595	5,003
Spiller Trust	-	17,500
	<u>11,845</u>	<u>24,504</u>

6. Grants payable

	2016	2015
	£	£
Commitments at 1 January 2016	61,000	38,000
Commitments made in the year	40,000	94,500
Grants payable for the year	<u>101,000</u>	<u>132,500</u>
Grants paid during the year	(68,500)	(71,500)
Grants withdrawn	(3,000)	-
Commitments at 31 December 2016	<u>29,500</u>	<u>61,000</u>

7. Governance

	2016	2015
	£	£
Staff costs (fee) (8)	1,500	1,500
Reporting accountants' fee	1020	960
Administration	625	116
Website	-	736
	<u>3,145</u>	<u>3,312</u>

8. Staff costs and trustees remuneration

	2016	2015
	£	£
Secretarial fee	<u>1,500</u>	<u>1,500</u>

The trustees received no remuneration nor were they reimbursed for any expenses

9. Investments

	2016	2015
	£	£
Market value at 1 January 2016	1,286,049	1,296,511
Acquisitions (net)	61,892	-
Disposals proceeds	-	-
Gain/(Loss) realised and unrealised	<u>156,850</u>	<u>(10,462)</u>
Market value at 31 December 2016	<u>1,504,791</u>	<u>1,286,049</u>

THE SUSSEX HISTORIC CHURCHES TRUST

Notes forming part of the financial statements

for the year ended 31 December 2016

10. Creditors

	2016	2015
	£	£
Grants payable	29,500	61,000
Accruals	863	863
	<u>30,363</u>	<u>61,863</u>

11. Unrestricted Funds

	At 01/01/16 £	Incoming Resources £	Outgoing Resources £	At 31/12/16 £
General Funds	1,346,126	295,959	(66,788)	1,575,297

The Unrestricted Funds of the charity may be applied for any charitable purpose at the discretion of the trustees.

12. The Spiller Trust

Under the terms of the will of the late Brigadier John Spiller the Trust was left a sum of £ 500,000 which was placed in an independent Trust (the Spiller Trust). This Trust is administered by partners of Thomas Eggar and the resulting investment portfolio managed by Thesis Asset Management (owned by Thomas Eggar). The annual income will be available for distribution by SHCT on application to the Spiller Trust. It will be used for a few substantial grants when requested. Any income not used would be carried forward for use in future years and under particularly worthy circumstances application could be made for a grant out of capital.