



THE CHURCHES CONSERVATION TRUST

**ANNUAL REPORT AND ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2019**

*Presented to Parliament Pursuant to  
Section 57(21) of the Mission and Pastoral Measure 2011 (2011 No.3)*



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July 2019

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The Churches Conservation Trust ('The Trust') is the national charity protecting historic churches at risk. We've saved over 350 beautiful buildings which attract almost two million visitors a year.

With our help and with your support they are kept open and in use – living once again at the heart of their communities.

We aim to:

- **Inspire people** to enjoy, understand and support England's historic churches
- **Protect history** through the conservation, regeneration and presentation of our unique collection
- **Create value** ensuring that its social, environmental and economic value is realised.

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## 1. CHAIRMAN'S FOREWORD

It may seem paradoxical that a charity whose purpose is conservation is keen on change. Don't we exist, after all, to keep things the same? Well - if we'd left our very first church, St Peter's Edlington the same as we found it in 1971 it would be a complete ruin by now. Time ensures that things change anyway. The Trustees of the CCT recognise that we need continuing evolution if we are to deliver our core purposes which are to protect history and engage people and communities in the beauty of our heritage. That is why this year we undertook a full review of our strategy, restructuring the staff team and emphasising local engagement. It's been a challenging time for the staff but they have responded with great professionalism. We continue to invest in the skills we need to meet the challenges ahead. I am very grateful to our Chief Executive, Peter Aiers, and other members of the team for bearing the brunt of this work.

Time insists that things change. We have recently had to say farewell to The Revd. Duncan Dormor (who has been a Trustee for two terms and latterly Deputy Chair); and to Lady Lucy French (who has been a wonderful Trustee for two terms as well). My heartfelt thanks go to both of them for the huge contribution which they have made to the CCT.

There are quite a lot of challenges. Setting aside the continuing cost of maintaining our existing estate, it is no secret that worshipping congregations continue to decline in the majority of around 14,500 Listed buildings which are places of worship, particularly in the countryside, 80% of which are owned by the Church of England. We continue to work closely with the Church of England and are profoundly grateful for the financial support of the Church Commissioners. We were delighted to welcome the new Third Estates Commissioner, Dr Eve Poole, to a recent Board meeting.

The constant task of raising funds to repair and maintain our churches was notably helped this year by the Fairfield Trust, which donated £129,000 towards the works at All Saints Dodington (one of our new churches) and by Sir James Knott Trust, who very generously gave £50,000 towards our work. We are very grateful for these donations and for all contributions made by Trusts, Funds, Foundations and individuals who support our work. We continue to have strong links with the National Lottery Heritage Fund which, thanks to players of the National Lottery, is a mainstay of investment in this sector. We are exploring ways to enable visitors to contribute more as well. The plain fact is that if each recorded visitor donated just £1 we would raise nearly £2 million a year towards our conservation work.

We are also very grateful to the Government's continuing support through DCMS who recognise the importance of the work we do to protect wonderful historic places of worship.

People care about heritage. Our Annual Appeal - highlighting crime and in particular lead theft - reached its £50,000 target in record time. Thank you to all who donated.

We have developed some new relationships this year. We have been working with the Historic Chapels Trust, supported by Historic England, and also with the Quakers in Norfolk, to support the maintenance and care of their Meeting Houses. Our 50 years of experience in working for historic places of worship has a wider application which reaches beyond our own collection.

The bedrock of our work is dependent on the commitment of the communities and volunteers who live with, and believe in, our churches. They are the people who ensure that the churches are open (whatever the weather) and without them we could do nothing much at all. We need and welcome and (it's central to the new strategy) encourage their advice and we are grateful for their enthusiasm.

Peter Ainsworth  
Chairman



## 2. INTRODUCTION

### Who we are

The Churches Conservation Trust is the national charity protecting historic churches at risk. We've saved over 350 beautiful buildings which attract almost two million visitors a year. With our help and your support they are kept open and in use – living once again at the heart of their communities.

### Constitution

The Churches Conservation Trust (CCT) is registered as a charity (number 258612) and its governing document is the Mission and Pastoral Measure 2011 (2011 No.3). Its object, as defined principally in Section 57 (4), is: 'the preservation, in the interests of the nation and of the Church of England, of redundant churches and parts of churches of historic and archaeological interest or architectural quality vested in the Trust, together with their contents so vested.'

### Objectives and Activities

The Trust cares for those parish churches which are of particular historic, architectural or archaeological merit and are vested in the Trust by the Church Commissioners to be conserved for the nation and opened to the public.

### Strategic Aims 2015-19

Our strategic aims for the four years from 2015, taking us to the beginning of our 50<sup>th</sup> Anniversary in 2019, are to:

- Inspire People;
- Protect History; and
- Create Value.

They are delivered through six national strategic programmes which define and support the work of our regional and national staff, volunteer teams and partnership projects:

1. Volunteering
2. Visitor Enterprise
3. Conservation
4. Regeneration
5. Fundraising
6. Learning and Interpretation

The programmes will result in the conservation, repair, adaptation and maintenance of the 353 buildings in our collection and of additional churches at risk coming into ownership. The Trust also runs a wide range of projects to support and promote community, arts, cultural and educational use, tourism and the local management or lease of its buildings. All projects serve to increase external funding, volunteering, partnerships and local involvement.

### DCMS and Church Commissioners Funding Agreement

The Trust works to a funding agreement with its two main sponsors, the Department for Digital, Culture, Media and Sport and the Church Commissioners. We are extremely grateful for their support throughout the year and for the grant-in-aid without which the Trust could not function. The Agreement sits within the strategic plan and funding agreement targets are mapped into the priorities for the year.

Our funding and management agreement aims are to:

- support the delivery of the Culture White Paper;
- increase income through fundraising, philanthropic and commercial activities and continue to strengthen financial resilience;
- support the development of digital engagement;



- support the DCMS Single Departmental Plan in encouraging participation; growing the economy and sustaining excellence and promoting Britain;
- reflect the role of vested churches in the history and development of Christianity and their continuing witness to Christian faith; and
- commit £2 million over three years to take on, repair and open to the public newly vested churches.

### **DCMS Single Departmental Plan 2015-20**

The Trust will ensure it addresses those of the targets in the DCMS Single Departmental Plan 2015-20 and in the Culture White Paper, which relates to its functions, in particular:

- Promoting the UK's heritage and historic environment
- Working with the arts and culture sectors to emphasise the benefits of participation for all
- Promoting an understanding of and access to the historic environment so that all people can appreciate and enjoy heritage assets
- Articulating the benefits of access and participation, including through working with other government departments and partners
- Supporting essential roof repairs to local churches
- Ensuring more visitors travel outside the capital
- Investing to boost tourism in the South West

On efficiency, we will also aim to deliver on a 1% year-on-year efficiency target against total grant-in-aid funding across the Spending Review period, which can be recycled into frontline services.

### **Public Benefit**

The Trust meets its obligations through 'advancing arts, culture, heritage or science'. It manages and provides free admission to 353 historic buildings which are open to the public on a daily basis throughout the year and which are made available for community use. In the past year the Trust welcomed 1.76 million visitors to its churches, which also hosted a vast array of community and arts events. Some 1,800 members of the public volunteer for the Trust and many are provided with training and support as a part of this activity. All Trustees give their time voluntarily and receive no benefit from the charity. Expenses reclaimed from the charity are set out in the notes to the accounts.

### **3. REVIEW OF THE YEAR**

Although we talked last year of considerable change, we have continued that process through 2018/19. This year we have undertaken a comprehensive review of our strategy, set out a new strategy and restructured the staff team in order to deliver that strategy.

Our new strategy and the subsequent restructure are squarely aimed at supporting communities to use and love their historic churches and we will be developing our work throughout the next financial year.

Whilst undertaking this considerable piece of work we have still been taking care of our wonderful collection of historic churches that that have been entrusted to our care by the nation.

- Considerable progress has been made on the three major National Lottery Heritage Fund projects that we have ongoing at the moment in Holy Trinity Sunderland, St Swithun's Worcester and St Peter's Sudbury.
- Achieving our Annual Appeal target
- Roof Repair Fund projects completed at West Bergholt and Walpole St Andrew
- Maintenance Service provided to the Norfolk Quakers
- Created a close partnership with the Historic Chapels Trust
- Contactless giving piloted in York, Holy Trinity
- Growth in Membership income
- £100,000 grant from Babergh Council towards Sudbury, St Peter
- The launch of Google Arts and Culture project, highlighting CCT churches
- Prepared new five year strategy
- Undertook comprehensive staff restructure
- Designed new branding

## **4. AIM ONE: INSPIRE PEOPLE**

Our first aim is to attract more people from a wider variety of backgrounds to our historic church collection and to enthuse them about the history and beauty they contain. Our visitor experience, volunteering, and learning programmes make up a large part of the work of the staff team and are key to attracting the numbers and support we need.

### *Visitors*

We have seen a further drop in visitor numbers across the CCT collection, partly due to some key sites being closed for repair and partly as a reflection of the general fall overall of visitor numbers as shown by Visit Britain

In 2018-19 we estimate that there were 1.76 million visits to a CCT church. This is consistent with an overall downturn in visitors to the UK regions in the same period. The North region suffered the largest decline in numbers at 9%, despite having strong success with events.

However, we doubled the participation at our family and learning events reaching 6,553 people against 3,032 last year.

### *Champing™*

We continue to develop this innovative product and have continued to see strong media interest. This year has seen consolidation of the product and work has been undertaken to develop how we will invest to ensure that Champing provides a profitable contribution to the work of the CCT.

### *Volunteering*

The CCT is not able to function without the support and commitment of communities and volunteers around the churches in our collection. These people ensure that the churches are open, that they are used for events, and can also provide strategic advice, technical assistance and professional skills.

Volunteers have grown in number this year and the new strategy for the CCT looks at how we might further grow the support of the communities around our churches.

There have been regional gatherings around the country, but our flagship volunteer event is our annual conference. This was held at the British Library, kindly sponsored by EBound AVX Ltd and the Marsh Christian Trust. This event gave the CCT an opportunity to thank and reward those who support us. This year we hosted workshops given by our volunteer groups to share experience and knowledge of projects and fundraising ideas.

Workshops were held for the communities and volunteers around the country to review the new CCT strategy and to seek views and insight into how we should evolve over the next five years. This was a very positive process and helped inform the final strategic plan.

### *Learning and Interpretation*

Through the funding from the Department for Education, via Historic England, we have continued to support three Heritage Learning Officers who work with schools to bring young people into our church buildings. The programme has now been going for seven years, allowing us to build relationships with schools, teachers and learning networks, as well as more recently providing popular family learning programmes in our Gateway sites.

Our learning events had a greater impact this year reaching over 6,500 people, more than double last years' total. This project has funding for a further year.

## **5. AIM TWO: PROTECT HISTORY**

### **Conservation**

#### *New Vestings*

Although we have not taken on any more churches this year, we have been busy with the repairs at Gamston and Dodington which were vested last year. Gamston has seen the church visited by local people to see the conservation work in action. We also took the London based staff to site so that they could see the impact of their work to save historic places of worship. We have also been preparing for the imminent vesting of Hemington, Tickencote and Withernsea, which we expect to receive in 2019-20, our 50<sup>th</sup> year.

#### *Existing Estate*

Roof repairs have been completed at West Bergholt and Walpole St Andrew. The interior of West Bergholt has also had the internal redecoration funded by a legacy, and the flooring has been repaired in Walpole with funding from the local community.

Works have been undertaken to Croome D'Abitot, to repair the parapet stonework and improve access to the tower which we hope will result in tower tours for the church.

Roof repairs are ongoing at Fylindales and works at Hartley Witney are almost complete. These works were funded by a legacy.

The dry summer of 2018 has had an impact on the churches in the South East region with structural movement being evident in three churches.

#### *Maintenance*

The teams have continued with the retendering process for maintenance across the regions and have been working hard to develop our external maintenance service for the Quakers in Norfolk and the Historic Chapels Trust portfolio.

#### *Craft Skills*

We have supported a CCT SPAB fellow this year through our 2% ring-fenced repair fund.

### **Regeneration**

The Regeneration Team has been dealing with the consequences of having had such great success with fundraising last year. There are now three major National Lottery Heritage Fund projects in train: The Canny Space, Sunderland; St Swithun's Worcester; and St Peter's Sudbury.

The potential permanent removal of the organ in Sunderland has been a difficult community liaison issue for the team. There has been a good resolution, in that the organ has been temporarily removed to allow for urgent repairs to the church, and a local community group has agreed to fundraise for the costs of putting the organ back.

## **6. AIM THREE: CREATE VALUE**

### **Fundraising/Development**

Our national Development team supports fundraising in the regions and runs direct membership and donor support programmes and national appeals.

#### *Membership and Donations*

The number of members have, as anticipated, slipped back from 2203 at the end of last financial year to 2,060. This is largely due to the expiry of the 2017 free Champing™ memberships. There has been a small decline in paid memberships. However the number of memberships paid by Direct Debit has increased from 966 to 1,001 and total income from all membership schemes has increased.

Our higher level membership schemes have continued to be well supported and this year we had visits to our Regeneration consulting project, the Beonna at Benington and a private tour of the House of Lords, kindly provided by Lord Cormack. The highlight of the year was the annual Chancel Club lunch, which, by popular request, was again held at Lambeth Palace. We have had a very good response to this event and welcomed a significant proportion of the membership.

We were extremely grateful for the unsolicited £50,000 we received from the Sir James Knott Trust towards our work. We are also extremely grateful to the Fairfield Trust who contributed £129,000 towards the works at Dodington.

Legacy income remains a vital source of funding for the Trust. We currently have 12 active legacy cases of which seven were new notifications in this financial year. We joined the "Remember a Charity in your Will" consortium of 180 charities enabling us to participate in September's awareness week promoted through a national campaign of news, press, social media and website coverage and highlighted to our own members through our monthly email update.

We have also written to all those who have kindly pledged their support or made enquiries about gifts in wills for which we have a record with the purpose of re-establishing contact and to ask if they would like to be acknowledged in our forthcoming Annual Review. As some notifications date back as far as 2006 this is an important exercise in relationship building.

Twelve Historic Church Tours operated this year between May and November for which we had just over 200 bookings. The three overnight tours have not been hugely popular and we will not repeat them next year. Our one day coach tours, however, have sold particularly well: three of them selling out well in advance.

Feedback has been very positive and these tours represent an excellent opportunity to share the challenges and successes of our work with our core supporters. They allow volunteers to showcase 'their churches' and for staff and members to meet face to face. Next year we are running nine one-day tours. By the end of the financial year we had already taken over 200 bookings with several tours completely sold out.

#### *Major Appeals*

##### *Sudbury*

A capital campaign board training session took place in July with most members of the local campaign board attending. This covered the campaign board process including the need to identify local prospects and to use connections to secure donations. Babergh Council have made a grant of £100,000 and the town council a pledge of £10,000 which is a great boost to the fundraising campaign. We have also been asked to apply for Community Infrastructure Levy money in October.

Applications to trusts and foundations will be crucial and some preparatory work has been done. A link has been established to the Lord Belstead charitable settlement who gave £50,000 to the local Gainsborough house and we will look to secure a similar grant.

With support from the Friends of St Peter's the funding balance remaining is now £270,000. Much work needs to be done on moving prospects forward and identifying new prospects.

## **Regeneration Consultancy**

The Regeneration team has exceeded their 2019 target of supporting 40 community groups, by working with 69 over the year.

The team have been working hard on the Taylor Review pilot project with Historic England, providing Community Engagement workshops as well as providing ongoing support to the Beonna project in Lincolnshire and a range of clients across the country.

### *Historic Chapels Trust*

The CCT has been working in partnership with the Historic Chapels Trust over the year and has undertaken a fundamental review of the portfolio and provided options for the future of the Trust. Whilst undertaking this strategic review, we have also been operating the charity. This has culminated in a further application for funding to the Historic England which we hope will see funding to continue our partnership over the next year.

### *Norfolk Quakers*

We have been piloting a project to provide maintenance and volunteer support to the Norfolk Quakers in the care of their historic meeting houses and supporting their volunteers. This has culminated in the renewal of the contract for a further year.

## **Champing**

Champing™ continues to capture the imagination of guests and the media. In the 2018 season we operated 21 churches, including three franchise sites and welcomed 1,200 guests for 1,200 nights. A significant proportion of guests remain visitors from overseas (20%). We successfully added the franchise site at Walkhampton and expect to grow numbers for 2019.

We had national Marketing coverage in World of Interiors, the Lady, the Mirror and The Guardian generated significant PR value. We also garnered widespread BBC radio coverage as well as a feature on BBC Countryfile. Digitally, the website attracted 56,000 user sessions in season of which 86% were new users. On Social Media we saw some encouraging results on Twitter with increased following and 174,834 people reached. On Facebook our audience grew by 30%.

## **Resources**

The backbone of CCT's work are our finance and resources team who ensure that the systems, procedures, and equipment we need are in place to support and enable our diverse activities and widely-dispersed staff and volunteer teams. As the organisation continues to deliver a growing number of projects and activities, the Finance and Resources team have provided the essential support needed to ensure successful delivery.

Key finance projects included the launch of a new accounting system and redesign of all financial reports. A new cloud based invoicing system was launched.

We continue to work to improve our internal communications. Two successful staff events were organised in the year with the December meeting introducing digital technology for the first time, using instant messaging and live polling.

## REPORT OF TRUSTEES AND ACCOUNTING OFFICER

The team has also had a major focus on preparations for the new Data Protection Act (GDPR) and gaining accreditation, for the second year running, from the government-backed Cyber Essentials programme.

The following policies and procedures have been reviewed and updated: Sickness policy, volunteer privacy policy; volunteer application form; breach reporting form; breach Log; information incident policy; data rights requests procedure; information rights request log; and data protection policy

Our small ICT resources now supports over 100 users. During the year we launched a new support service with the aid of a special external provider. This service gives additional first line support to all users and acts as liaison with our other external support providers.

## 7. PERFORMANCE AGAINST TARGETS

### Key Performance Indicators

The Trust uses targets to measure progress against strategic aims and to demonstrate trends over time. The table below shows national targets and performance against them. Where they can be compared to previous years' targets this is also shown. New Key Performance Indicators will be launched in 2019/20.

	Strategic aim	Four-year target to 2019	Annual target 2018/19	2018/19 RESULT	2017/18	Note
1	Inspire People	2.2m visitors	8% increase (2.1m)	1.76m	1.78m	See section 4 of the main report.
2		10% increase in volunteer numbers each year	2,110	1,814	1,719	Together with 66 Friends groups we appear to have stabilised our annual operations based on around 1,800 volunteers
3		Develop 40 family learning activities at Gateway and Visitor Welcome sites in 2017/18	40	6,553 attendees	3,032 attendees. 50 learning events including school visits	
4	Protect our history	£15.5m invested in repairs	£5m invested in repairs p.a.	£982,021	£550,000	This KPI is being reviewed for 2019/20 to more accurately reflect the investment in our estate.
5		2% of budgeted repair expenditure on traditional building skills	2% of budgeted repairs expenditure invested in traditional building skills	£17,000 Achieved	£16,500	Funding of SPAB Fellowship
6	Create Value	Unrestricted independent income (donations and earned income) increased to £1.2m	£878,000	£1,039,165	£982,412	Group figures, includes income generated in our trading subsidiary. Successful unrestricted annual heritage crime appeal c£50k
7		5,000 members	2,200 members	2,060	2,203	See section 6 of the main report.
8		Achieve IIP minimum silver status	Consolidate Silver competences and review Gold criteria	ACHIEVED Silver Award	ACHIEVED Silver Award	



## **Sustainability**

Since 2011/12 public bodies are obliged to include a sustainability report within the annual report and accounts unless the body falls under the de-minimis threshold for reporting of 250 full time equivalent staff or floor space of less than 1,000 metres. As CCT full time equivalent staff for 2018/19 was 61 we are not required to include a report, however, further details of our work can be found on our website.

## 8. FINANCIAL REPORT

### Income

In the year ending 31 March 2019, overall income stood at £8.2 million, 4% up on the £7.9 million received in 2017/18. Increases were apparent in most areas of operation, including a welcome growth in unrestricted donations.

Grant-in-Aid from DCMS and the Church Commissioners provided 50% of income at £4.1 million (2017/18: £4.1 million, 52%).

Non-statutory grant income dropped slightly by £72,000 or 4% to £1.9 million. This figure comprises grants from trusts and foundations for specific projects, together with grant income from Churches Conservation. Grants are recognised in our accounts under charity SORP accounting rules and the Trust moves into 2019/20 with a healthy pipeline of externally-funded projects, especially for the HLF funded major projects at Sunderland, Worcester and Sudbury. Grants from the Listed Places of Worship Scheme, where VAT is reclaimed on eligible church repairs showed significant growth at £318,000, £79,000 up on the previous year.

Donations finished the year at £880,000, a rise of £123,000 or 16% on the previous year. Within this figure, £481,000 was unrestricted income. Wall safe income stayed on a par with the 2017/18 figure of £141,000, still significantly below the 2016/17 total of £171,000. Overall unrestricted donations were significantly up on 2017/18, £481,000 compared to £392,000. This growth was thanks in part to the very successful annual appeal.

Legacies brought in a total of £255,000, £39,000 up on the previous year. Of this total all but £1,000 was unrestricted income.

Legacies provided  
£254,000 of  
unrestricted income

Earned income fell by 3% to £586,000. Of this total £558,000 was unrestricted. Within Earned Income, rental income at £77,000, showed the biggest fall (14%) as a number of long term hire arrangements came to an end. Significant sources within this total figure include: Champing at £57,000; Membership scheme fees at £72,000; and consultancy income at £90,000, all on a par with 2017/18 levels.

Total Group unrestricted donations and earned income, the growth of which is a key part of our 2018/19 and new financial strategy to increase our income base, rose 6% to £1,039,000 from £982,000. These results include income generated via the Trust's trading subsidiary.

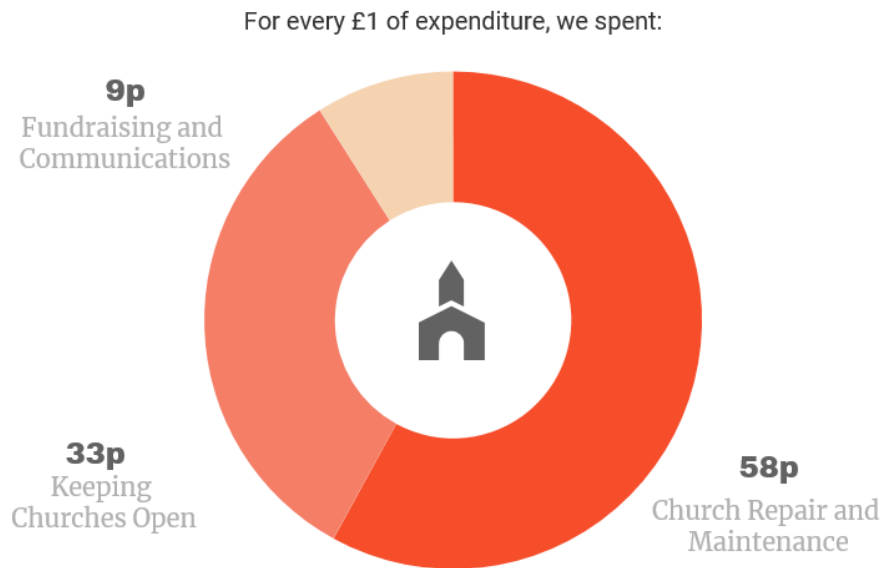
### Expenditure

91% of the Trust's expenditure went on frontline projects to repair churches and support communities. At £4.7 million, 'Church repairs and maintenance' continues to be the main call on our funds. Compared to the previous year, this represents an increase of £138,000 or 3%.

91% of expenditure  
spent on frontline  
projects

Expenditure on 'Supporting volunteers and communities, keeping churches open' also increased in the year. We now spend £2.7 million on initiatives to build the Trust's tourism, volunteering and partnership programmes and is crucial to the sustainability of the churches.

Expenditure on fundraising grew by 3% to £744,000 and represents just 9% over our overall expenditure.



**Chart 1: Where the Trust spends its money, 2018/19**

## Reserves

Trustees recognise that an unrestricted reserve allows the organisation to deal with short-term fluctuations in income, to provide adequate working capital and to underpin budgetary risk arising from capital expenditure projects.

The Trustees have considered the scale, complexity and risk profile of the Trust, and taken account of the funding base which consists of grant-in-aid from DCMS and the Church Commissioners, and self-generated income. The former has historically been reasonably foreseeable, given that it is subject to multi-year funding agreement, but in the current economic climate the level of this can no longer be assumed. Self-generated income is always liable to fluctuation depending on economic circumstances and visitor activity.

The Trustees consider £500,000 of Free Unrestricted Reserves are required after taking into account: annual operational expenditure; short-term fluctuations in income; unexpected repair issues; adequate working capital; budgetary risks arising from major projects; and uncertainty in future income.

The policy on reserves is reviewed by the Trustees as part of the annual planning and budget setting process.

### *Restricted Reserves*

Although the Trust's total reserves at 31 March 2019 are shown as £1.58 million (2017/18: £1.57 million) on the Statement of Financial Position, all but £487,003 are restricted funds whose use, under the terms by which they were given, is restricted solely to work at specific churches and cannot be used for other purposes. The Trust's policy is always to utilise these funds first when carrying out necessary works at eligible churches, before any call is made on unrestricted funds.

### *Free Reserves*

The Charity Commission defines 'free reserves' as: 'income which becomes available to the charity and is to be expended at the Trustees' discretion in furtherance of the charity's objectives, but which is not yet spent, committed or expended'. As at 31 March 2019, the Trust had free reserves of unrestricted funds, less the carrying value of fixed assets, of £452,724 (£487,003 minus

£34,280). This represents an increase of £66,571 compared to the free reserves of £386,153 held at 31 March 2018. The Trustees consider this level acceptable but under the target free reserves figure of £500,000. The Trust aims to reach the £500,000 target by March 2021.

The policy on reserves is reviewed by the Trustees as part of the annual planning and budget setting process.

### **Investment Policy**

The Trustees' objective for its long term funds is to seek a real above-inflation return, both in terms of capital appreciation and income, through investment of permanent endowments in broadly based funds. Deposit funds are split between the Central Board of Finance of the Church of England Deposit Fund, Bath Building Society, Nationwide Building Society, Scottish Widows Bank and Virgin Money. Permanent Endowment funds are invested with Investec Wealth and Investment.

SMT, with Trustees' approval, monitor and regularly review the Trust's investment strategy.

## **9. FUTURE DEVELOPMENTS**

### **2019- 2024**

Next financial year sees us celebrate our 50<sup>th</sup> Anniversary as well as launching a new strategy and a new brand. This strategy has been developed in full consultation with staff, volunteers and stakeholders. In order to deliver the strategy, we have undertaken a full restructure of the organisation.

The CCT's overall strategic aim is to protect historic places of worship. We will do this by empowering and supporting communities to care for historic places of worship. We will deliver this strategic aim in three ways:

- 1: Supporting Communities To Use And Love Their Historic Places of Worship
- 2: Sharing Our Skills To Sustain Churches
- 3: Promoting The Value Of Our Shared Cultural Heritage

#### **1: Supporting Communities To Use And Love Their Historic Places of Worship**

The CCT has responsibility for a growing collection of historic churches. In order to best care for these buildings it is essential that they are used and loved by the local community. Where there are historic churches with a motivated and well-supported community the building thrives.

In order to deliver this first pillar of our strategy, we have devised a network of Local Community Officers who will create and maintain relationships with the communities around CCT churches. We will support communities to use their historic church and raise the funds necessary to keep it in good repair.

Our Conservation Team will continue to provide an excellent maintenance service to our historic churches and will manage a national list of repair priorities. This element of the strategy also allows the CCT to consider how we might support communities care for their historic places of worship beyond the CCT collection.

#### **2: Sharing Our Skills To Sustain Churches**

The CCT will invest in the development of commercial activity in order to invest the surplus generated in the conservation and repair of our collection of historic churches. The initial areas of investment will be in Champing™, our consultancy work and the development of our fledgling maintenance service.

The new Head of Enterprise will drive and develop the profitability of our commercial work. This role will also advise how we invest and develop flagship visitor churches.

#### **3: Promoting The Value Of Our Shared Cultural Heritage**

The CCT is concerned that there is a precarious future for many historic places of worship. We seek to ensure that society continues to value these buildings for their social, architectural, historical, aesthetic and cultural qualities.

We will develop and grow our supporter base. We seek to gather a strong voice for all of those who value historic places of worship in their community.

To ensure that historic places of worship remain relevant and important to society, the CCT will develop a learning programme to explain these complex buildings.



## Register of Interests

The Trust maintains a register of Trustees' interests which is available for inspection at the Trust's offices on application to the Chief Executive.

## Registered Office

Society Building, 8 All Saints Street, London, N1 9RL.

## Auditors

The Trust's auditors are Mazars LLP, Times House, Throwley Way, Sutton, Surrey, SM1 4JQ. The auditors are re-appointed annually by the Trustees.

As far as the Trustees are aware, there is no relevant audit information (as defined by the Companies Act 2006) of which the charity's auditors are unaware, and each Trustee has taken all the steps they ought to have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

## Bankers

Coutts and Co, St Martin's Office, 440 Strand, London WC2R 0QS.

## Legal Advisers

Farrer & Co, 66 Lincoln's Inn Fields, London, WC2A 3LH.  
Church Commissioners Legal Office, Church House, Great Smith Street, London, SW1P 3AZ.

**Remuneration of Senior Managers**

	Accrued pension at 31/03/2019	Real increase in pension and related lump sum at pension age	CETV at 31/03/2019	CETV at 31/03/2018	Increase in CETV	Pension benefit to nearest £1,000
Peter Aiers Chief Executive	15 - 20	2.5 - 5	229	159	38	64
Sarah Robinson Deputy Chief Executive / Director of Conservation (4 days per week)	10 - 15*	0 - 2.5	272	235	6	14
Stuart Popple Director of Finance and Resources	10 - 15	0 - 2.5	133	99	11	26
Colin Shearer Director - Regions	10 - 15	0 - 2.5	277	245	25	26
Anthony Bennet Director of Development	5 - 10	0 - 2.5	70	44	14	28

Notes to the above table:

\* plus a lump sum of 10-15 accrued pension.

'The Cash Equivalent Transfer Value (CETV)'. A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

'Real increase in CETV'. This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Signed on behalf of the Trustees on: 27 June 2019

**Peter Ainsworth**  
**Chairman of the Trustees**

**Peter Aiers**  
**Chief Executive**

## REPORT OF TRUSTEES AND ACCOUNTING OFFICER

The Trust is a sponsored body of the Department for Digital, Culture, Media and Sport. The Trustees are required to prepare accounts for each financial year in the form and on the basis determined by the Secretary of State for Digital, Culture, Media and Sport, with the consent of the Treasury and in accordance with the Charities Act 2011 and the Mission and Pastoral Measure 2011. The accounts are prepared on an accruals basis to show a true and fair view of the state of affairs of the Trust at the balance sheet date and of the income and expenditure and cash flows for that period. In preparing those accounts, the Trustees are required to:

- Observe the accounts direction applicable to the year issued by the Secretary of State for Digital, Culture, Media and Sport, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, and disclose and explain any material departures in the accounts.
- Prepare the accounts on the going concern basis, unless it is inappropriate to presume that the Trust will continue in business.

The Trustees are responsible for ensuring that proper accounting records are kept of the Trust's financial position and income and expenditure. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Trustees are also responsible for ensuring that the Trustees' Report and other information included in the Annual Report is prepared in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

The Accounting Officer for the Department for Digital, Culture, Media and Sport has designated the Chief Executive of The Churches Conservation Trust as the Accounting Officer for the Trust.

The Accounting Officer's responsibilities, including the responsibility for the propriety and regularity of the public finances for which the Trustees are accountable and for the keeping of proper records, are set out in the Non-Departmental Public Bodies 'Accounting Officers' Memorandum, issued by the Treasury and published in 'Managing Public Money'.

Signed on behalf of the Trustees on: 27 June 2019

**Peter Ainsworth**  
**Chairman of the Trustees**

**Peter Aiers**  
**Accounting Officer**



## 10. GOVERNANCE STATEMENT

The Governance Statement describes how the CCT manages and controls its resources in delivering its strategic plan.

Achievement of the charity's objectives entails taking certain risks which have been identified and require careful and on-going management. To address risk and ensure the Trust is best placed to meet its strategic and operational aims, the Accounting Officer and Board of Trustees have responsibility for maintaining a sound system of governance which supports the achievement of the policies, aims and objectives of the Trust. At the same time the system is in place to safeguard the Trust's public funds and assets for which the Accounting Officer is personally responsible, in accordance with the responsibilities assigned them in Government Accounting.

### Corporate Governance

The Trust is governed by a board of Trustees, including the Chairman. The Trustees are appointed by Her Majesty the Queen, on the advice of the Archbishops of Canterbury and York, submitted through the Prime Minister. New Trustees are fully inducted into the Trust to better understand their responsibilities and the operational and strategic framework in which the Trust operates.

#### *Trustees*

The Trustees during the year were:

Peter Ainsworth	Chairman
Reverend Duncan Dormor	Deputy Chairman
William Donaldson	
Lady Lucy French OBE	
Edward Harley OBE, DL	
Sir Simon Jenkins	
Beth McHattie	
Liz Peace CBE	Chair of the Finance and Audit Committee
Carol Pyrah	Chair of the Conservation Committee
Sue Wilkinson	

The Board delegates some issues to its Finance and Audit Committee, Conservation Committee, and Health and Safety Committee. Terms of reference for each are agreed by the Board. These Committees report to the Board their discussions of relevant matters and advise on decisions, which are then taken by the Board. All Committees are advised and serviced by senior managers.

During the year to 31 March 2019, the Board and its Committees all met on a quarterly cycle. Minutes of the meetings, including attendance, are kept and approved by the Board at subsequent meetings. Trustee attendance at Board meetings was 77% (2017/18: 88%).

During the year the Board met to specifically review strategy and its own performance at an away day.

#### *The Finance and Audit Committee*

The Finance and Audit Committee comprises three Trustees: Liz Peace (Chair), Will Donaldson, Edward Harley and one external co-optee. It reviews: key risks and controls; the management of resources through review of the latest management accounts and end of year reserves predictions; and receives reports from management and the internal and external auditors on key risk areas. It also approves the final accounts subject to signing by the Board.

From these reviews the Committee is able to provide assurance to the Board on the Trust's financial position and risk management. The Finance and Audit Committee also considers HR issues.

### *Conservation Committee*

The Conservation Committee is chaired by a Trustee (Carol Pyrah) and comprises relevant experts, and senior representatives of other conservation organisations. It advises the Board on significant conservation and development matters relating to its 353 historic buildings. Having an expert Committee at such a high level in the Trust's governance protects the organisation against legal, reputational, and other risks associated with the management of a large historic estate.

### *Highlights of Committee Reports*

During the year, the Board of Trustees approved the new five year strategy and new brand, expenditure for major works at Worcester St Swithun and Sunderland Holy Trinity. Trustees also approved a new sickness policy and approved both the annual Health and Safety report and the plan and budget for 2019/20.

### *Management Structure*

Trustees employ a salaried Chief Executive to manage the organisation and implement the strategic objectives. The Chief Executive has a senior management team comprising a deputy chief executive and three other directors with specific regional and/or operational responsibilities. Each director has their own small team of staff who carry out a range of projects with the support of volunteers. The Trust's operational teams are organised into three regions.

The Trust's Chief Executive Officer is Peter Aiers.

### *Communication with Sponsors*

The Accounting Officer and the other Directors hold six-monthly review meetings with officers in DCMS to discuss performance against targets and the three-yearly Funding Agreement, governance and other risk management matters. These meetings are also where the Trust is advised of actual and potential changes to Government legislation and requirements.

The Accounting Officer and members of the senior management team also meet on a quarterly basis with Officers of the Church Commissioners and DCMS to review the estate and its management, share information and discuss specific issues and future vestings. Broader discussions of progress and strategy take place through annual member-level meetings with the Church Commissioners and DCMS.

### *Audit*

As part of their annual audit of the Trust's accounts, the External Auditors' provide a Management Letter covering any identified control weaknesses. For 2018/19, no substantive weaknesses were raised which provided the Trust with additional comfort over its internal controls. The Trust's rolling three year internal audit plan considers strategic and operational risks and has been approved by the Finance, Audit and Resources Committee. It is updated annually to confirm audit prioritisation. All reports and management actions were reviewed by the Finance and Audit Committee.

### *Corporate Governance*

The system of governance has continued in place in the Trust for the financial year ended 31 March 2019 and up to the date of approval of the Annual Report and Accounts. It accorded with HM Treasury guidance, including the Corporate Governance Code of Good Practice 2011 in so far as it is applicable to Arm's Length Bodies, save in relation to the Code's recommendation for a separate nominations committee.

## **Remuneration**

In 2018/19 all employees were awarded a single cost of living pay award. No separate non-consolidated organisation bonus, dependent on organisational objectives and subject to affordability, was paid. All pay awards are subject to Trustee approval.

*Gender Pay Gap*

As at 31 March 2019 the Trust had a mean gender pay gap of 9% (March 2018: 16%). The median figure was minus 1% (March 2018: minus 3%). The below table illustrates the proportion of Female and Male employees in each pay quartile.

	Women	Men	Total	% Women in Quartile	2018: % Women in Quartile
Top Quartile	11	5	16	69%	60%
Upper Middle Quartile	13	3	16	81%	90%
Lower Middle Quartile	12	4	16	75%	84%
Lower Quartile	10	6	16	63%	63%
<b>Total</b>	<b>46</b>	<b>18</b>	<b>64</b>	<b>72%</b>	<b>73%</b>

*Senior management remuneration*

As at 31 March 2018, the highest paid director was paid in the £80,000 to £90,000 band. The ratio of the mid-point of this band, to the Trust’s median pay of £26,219, was 3.2 (2017/18: 3.3). The senior management team is defined as the directors of the Trust, and comprises the following roles: Chief Executive, Deputy Chief Executive/Director of Conservation, Director of Finance and Resources, Director of Development, and Director of Regions. The total remuneration of senior management was £446,630 (2017/18: £508,890).

Total remuneration includes salary, non-consolidated performance-related pay and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

*Civil Service compensation scheme Exit packages*

Exit Package Cost Band	Number of compulsory redundancies	Number of other departures agreed
<£10,000	0	2
£10,000 - £25,000	0	4
£25,000 - £50,000	0	1
<b>Total</b>	<b>0</b>	<b>7</b>

Redundancy and other departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme, a statutory scheme made under the Superannuation Act 1972. Exit costs are accounted for in full in the year of departure.

*Contracts*

Senior management contracts have minimum notice periods of three months. Any termination payments would be subject to the provisions of the Civil Service Compensation Scheme, a statutory scheme made under the Superannuation Act 1972.

### *Trade Union facility Time*

The Trust complies with the newly introduced Trade Union (Facility Time Publication Requirements) Regulations 2017. The total number of employees who were relevant union officials during 2018/19 was zero (2017/18: zero). As such zero time and zero remuneration was spent on facility time during the year (2017/18: zero).

## **Planning and Budgeting Process**

The senior management team compiles the Trust's business plan and budget on an annual basis. In 2018/19 CCT launched a new planning process that aimed to improve forward planning, budget management and allow for the longer preparation time required for more complex projects. It also ensures that there is a clear link between individual projects and organisational objectives and KPIs.

The process begins with management determining the Trust's strategic and operational priorities for the next financial year. Risk management is integral to the business planning process. Each team then generate their own priorities, projects and budgetary requirements which it deems necessary to deliver the strategic aims within its area of responsibility as well as through cross-team working. The teams also identify key risks and their mitigation, feeding results through the main risk management process to the Senior Management Team (SMT).

SMT then review the individual team plans and priorities and prepare the national plan and budget, ensuring that all priorities are being met, resources appropriately allocated and risks managed. The plan and budget is subject to analysis by the Finance and Audit Committee and formal approval by the Board of Trustees.

The new planning process will be updated during 2019 as a result of feedback from the first year of operation and the full implementation of the new strategy.

### *Project Management*

Individual projects are defined by project plans and budgets which feed into the team business plans. Cross-disciplinary project teams manage and report on individual projects within a scheme of delegated authority. Expenditure is governed by authorisation rules which ensure its sign-off at the appropriate level of seniority.

### *Performance Monitoring and Reporting*

Trustees receive quantitative and qualitative reports against the national plan and budget at their quarterly meetings, with a full performance report every six months. These reports explain team and management actions that have led to positive variances and how adverse variances are being addressed.

## **Risk Management**

In assessing risks and appropriate actions, the Trust's approach is taken from the Treasury's 'Managing Public Money'. In addressing risks, the Trust will:

- **Take opportunities** - for circumstances where the potential gain seems likely to outweigh the possible downside;
- **Tolerate** - for unavoidable risks, or those so mild or remote as to make avoidance action disproportionate or unattractive;
- **Treat** - for risks that can be reduced or eliminated by prevention or other control action;
- **Transfer** - where another party can take on some or all of the risk more economically or more effectively (for example through insurance, sharing risk with a contractor); and

- **Terminate** - for intolerable risks, where it is possible for the organisation to exit.

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The Trust's system of internal control has been in place throughout the year up to the date of approval of the annual report and accounts, and accords with Treasury guidance. The system is based on an on-going process designed to:

- Identify and prioritise risks that may affect the achievement of the Trust's policies, aims and objectives through assessing the likelihood and impact of those risks occurring; and
- Through key controls, specific actions and responsibilities, manage risk efficiently, effectively and proportionately.

The Trustees are satisfied that appropriate systems are in place to manage risk.

### *The Risk Register*

- Departmental risk registers are reviewed at monthly team meetings to ensure risks are considered. The teams are: the three regions, Conservation and Regeneration, Development, and Finance and Resources. Any departmental risk of severity 12 or more, or an impact of 5 is reported to SMT for consideration in the national risk register.
- SMT formally review risks on a quarterly basis and prior to preparation of the Finance and Audit Committee papers. SMT considers departmental risk registers on a rotational basis.
- The Finance and Audit Committee formally review the risk register every six months.
- The Board of Trustees review the risk register annually, prior to the accounts being signed off, in order that the Governance Statement can be signed.

### *Brexit*

CCT continues to review the implications of the 2016 referendum decision to leave the European Union. Any significant risks identified are included in the organisation risk register and reviewed by Trustees.

### *Whistleblowing*

The Trust is committed to the highest standards of accountability and transparency. A whistleblowing policy is in place that encourages staff to raise issues. Various reporting mechanisms are in place for staff including direct access to our internal auditors.

### *Information Management*

The Trust is registered with the Information Commissioner's Office. The Trust suffered no significant protected personal data incidents during 2018/19 and has not had to make any report on the loss of personal protected information to the Information Commissioner's office. Controls are in place to monitor information management risk.

### *Approach to Fundraising*

We hold our members, donors, volunteers and other supporters who fund our work in the highest regard and are committed to fundraising best practice based on the core principles of honesty, transparency, and accountability.

We are registered with, and are committed to, supporting and complying with the guidelines and directives of the Fundraising Regulator and the Fundraising Preference Service (FPS). We are also

members of the Institute of Fundraising and follow the Fundraising Code of Practice. In 2019/20 there were no failures to comply with standards, no complaints were received directly and only a single request to be removed from our database was received via the Fundraising Preference Service and actioned in line with FPS standards.

Our fundraising activities are organised and coordinated by our own members of staff and/or by volunteers and friends groups. With the exception of legacies, and the distribution of our membership magazine; Pinnacle, we do not make use of external professional fundraisers or commercial participators.

A fuller description of our approach to fundraising along with our privacy and complaints policies are available from our website.

#### *Sickness Absence Disclosure*

During the year, staff were off work due to sickness for a total of 113 days (2017/18: 193), an average of 1.6 days (2017/18: 4.8) per staff member. These figure exclude long term sickness. If long term absences are included, the total rises to 635 days (2017/18: 567 days).

#### *Consultancy and Contingent Labour Spend Disclosure*

During the year-ending 31 March 2019, £239,764 (2017/18: £225,464) was spent on consultancy. £171,041 (2017/18: £52,452) was spent on temporary staff.

#### *Tax Assurance Disclosure*

Following the Review of Tax Arrangements of Public Sector Appointees published by the Chief Secretary to the Treasury on 23 May 2012, Government departments and their arm's length bodies must publish information on their highly paid and/or senior off-payroll engagements. For the year ending 31 March 2019, the Trust did not have any off-payroll engagements.

### **Review of Effectiveness**

As Accounting Officer, I have responsibility for reviewing the effectiveness of the Governance Statement. My review of the system's effectiveness is informed by the work of the internal auditors, the senior managers within the Trust who have responsibility for the development and maintenance of the governance and control framework, and comments made by the external auditors in their Management Letter and other reports, including health and safety assessments.

I am satisfied from the results of my on-going review that risk management processes and corresponding systems are in place and give me reasonable assurance of their effectiveness.

Risk management is an on-going process and will continue to be integral to strategic and operational planning and to the delivery of the objectives and targets of the Trust. Risk management practice and procedure will also continue to be reviewed and developed in order to ensure effective control, good management and accountability.

No significant control issues arose during the year.

**Peter Aiers**  
**Accounting Officer and Chief Executive**

## **11. INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE CHURCHES CONSERVATION TRUST**

### **Opinion**

We have audited the financial statements of the Churches Conservation Trust (the 'charity') for the year ended 31 March 2019 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Charity Statements of Financial Position, the Consolidated Statement of Cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 March 2019 and of the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **The impact of uncertainties due to Britain exiting the European Union on our audit**

The Trustees' view on the impact of Brexit is disclosed on page 24. The terms on which the United Kingdom may withdraw from the European Union are not clear, and it is therefore not currently possible to evaluate all the potential implications to the group's and charity's trade, customers, suppliers and the wider economy.

We considered the impact of Brexit on the group and charity as part of our audit procedures, applying a standard firm wide approach in response to the uncertainty associated with the group's and charity's future prospects and performance.

However, no audit should be expected to predict the unknowable factors or all possible implications for the charity and this is particularly the case in relation to Brexit.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group or the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Matters on which we are required to report by exception**

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of Trustees**

As explained more fully in the trustees' responsibilities statement set out on page 19, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Use of the audit report**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and regulations made or having effect thereunder. Our responsibility is to



## REPORT OF TRUSTEES AND ACCOUNTING OFFICER

audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK). Those standards require us to comply with the Financial Reporting Council's Ethical Standard. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body for our audit work, for this report, or for the opinions we have formed.

Signed:

Mazars LLP Chartered Accountants and Statutory Auditor

Times House, Throwley Way, Sutton, Surrey, SM1 4JQ

Date:

Mazars LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

## 12. FINANCIAL STATEMENTS

### CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2019

Notes	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2019	Total 2018
	£	£	£	£	£
<b>INCOME</b>					
Donations & Legacies	735,165	400,692	-	<b>1,135,857</b>	973,644
Income from Charitable Activities	4,536,796	1,897,703	-	<b>6,434,498</b>	6,261,732
Income from Investments	2,469	22,549	-	<b>25,019</b>	18,067
Other Trading Activities	558,458	27,708	-	<b>586,166</b>	602,004
<b>TOTAL INCOME</b>	<b>5,832,888</b>	<b>2,348,652</b>	-	<b>8,181,540</b>	7,855,447
<b>Expenditure on Raising Funds</b>					
Fundraising and Communications	(677,102)	(66,854)	-	<b>(743,956)</b>	(724,757)
<b>Expenditure on charitable activities</b>					
Church Repairs and Maintenance	(2,843,694)	(1,890,179)	-	<b>(4,733,873)</b>	(4,596,334)
Keeping Churches Open	(2,288,453)	(424,821)	-	<b>(2,713,274)</b>	(2,537,643)
Total charitable activities	(5,132,147)	(2,315,000)	-	<b>(7,447,147)</b>	(7,133,977)
<b>TOTAL EXPENDITURE</b>	<b>3 (5,809,249)</b>	<b>(2,381,854)</b>	-	<b>(8,191,103)</b>	(7,858,734)
<b>Net income/(expenditure)</b>	23,639	(33,202)	-	<b>(9,563)</b>	(3,287)
<b>Other recognised gains and losses</b>					
Unrealised (losses) /gains on investments	8 -	-	14,451	<b>14,451</b>	(62)
<b>Net movement in funds</b>	23,639	(33,202)	14,451	<b>4,888</b>	(3,349)
Balances brought forward at 1 April 2018	463,363	578,255	532,255	<b>1,573,873</b>	1,577,222
<b>Balances carried forward at 31 March 2019</b>	<b>487,002</b>	<b>545,053</b>	<b>546,706</b>	<b>1,578,761</b>	1,573,873

All amounts relate to continuing activities; there are no other recognised gains or losses which are not included above.

**STATEMENTS OF FINANCIAL POSITION  
AS AT 31 MARCH 2019**

		Group 2019	Charity 2019	Group 2018	Charity 2018
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Intangible fixed assets	<b>6</b>	34,279	34,279	75,361	75,361
Tangible fixed assets	<b>7</b>			1,849	1,849
Investment in Subsidiary		-	1	-	1
Fixed assets investments	<b>8</b>	<u>367,535</u>	<u>367,535</u>	<u>353,084</u>	<u>353,084</u>
		<b>401,814</b>	<b>401,815</b>	<b>430,294</b>	<b>430,295</b>
<b>CURRENT ASSETS</b>					
Debtors	<b>9</b>	947,880	865,363	1,754,435	1,796,196
Cash at bank and in hand		<u>1,824,051</u>	<u>1,768,292</u>	<u>1,632,528</u>	<u>1,549,702</u>
		<b>2,771,931</b>	<b>2,633,655</b>	<b>3,386,963</b>	<b>3,345,898</b>
<b>Creditors</b>					
Amounts falling due within one year:	<b>10</b>	(1,584,983)	(1,464,242)	(2,243,384)	(2,217,492)
<b>NET CURRENT ASSETS</b>					
		<u>1,176,947</u>	<u>1,169,413</u>	<u>1,143,579</u>	<u>1,128,406</u>
<b>NET ASSETS</b>					
	<b>11</b>	<u><b>1,578,761</b></u>	<u><b>1,571,228</b></u>	<u><b>1,573,873</b></u>	<u><b>1,558,701</b></u>
<b>FUNDS</b>					
Endowment funds	<b>11</b>	546,706	546,706	532,255	532,255
Income funds	<b>11</b>	<u>1,032,055</u>	<u>1,024,522</u>	<u>1,041,618</u>	<u>1,026,446</u>
		<u><b>1,578,761</b></u>	<u><b>1,571,228</b></u>	<u><b>1,573,873</b></u>	<u><b>1,558,701</b></u>

Approved and authorised for issue by the Trustees on: 27 June 2019

Signed on their behalf by:

**Peter Ainsworth** - Chairman of the Trustees

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDING 31 MARCH 2019**

	<b>2019</b>	2018
	<b>£</b>	£
<b>Cash outflow from operating activities</b>		
Net income	<b>(9,563)</b>	<b>(3,287)</b>
Adjustments for:		
Depreciation	<b>42,930</b>	<b>56,105</b>
Investment Income	<b>(25,019)</b>	<b>(18,067)</b>
Trade and other receivables	<b>806,556</b>	76,550
Trade and other payables	<b>(648,400)</b>	<b>354,176</b>
<b>Net cash (outflow) from operating activities</b>	<b>166,505</b>	<b>(10,380)</b>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets		-
Interest received	<b>25,019</b>	<b>18,067</b>
Net cash inflow / (outflow) from investing activities		
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>191,524</b>	<b>7,687</b>
Balance as at 1 April	<b>1,632,528</b>	<b>1,624,841</b>
Balance as at 31 March	<b>1,824,051</b>	<b>1,632,528</b>

## 13. NOTES TO THE ACCOUNTS

### 1.

#### (a) Accounting Policies

The accounts have been prepared in accordance with the Accounts Direction issued by the Department for Digital, Culture, Media and Sport, 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 2015) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The main accounting policies, which have been applied consistently, are set out below.

#### (b) Basis of Consolidation

The consolidated accounts of the group incorporate the accounts of the charity and its subsidiary undertakings, all of which were prepared to 31 March 2018. The trading results of the subsidiary undertakings as shown in note 16 are consolidated on a line-by-line basis within the consolidated statement of comprehensive income.

#### (c) Income

Income from Charitable Activities includes Grant-in-Aid from the Department for Digital, Culture, Media and Sport amounting to £2,604,000 (2017/18: £2,738,000) and a grant from the Church Commissioners amounting to £1,655,000 (2017/18: £1,355,000). Grant-in-Aid, unless for one-off specified purposes, is allocated to general unrestricted purposes and is taken to the Income Statement in the year to which it relates. Grants and other income that is awarded subject to specific performance conditions are recognised when the performance conditions for their receipt have been met. Donations and Investment income are included in the accounts in the year they are receivable. Legacies are included when the Trust is notified by the personal representatives of an estate that payment will be made or property transferred and the amount involved can be quantified with reasonable certainty.

#### (d) Expenditure

Expenditure is included in the Statement of Comprehensive Income on an accruals basis. The Trust is not registered for VAT and accordingly, expenditure is shown gross of VAT.

Certain expenditure is directly attributable to specific activities and has been included in those cost categories. Head office premises costs are apportioned on the basis of the space occupied by particular groups of staff. Grant expenditure is recognised when there is a commitment to make a grant payment and all relevant conditions of the award have been met. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities. Governance costs include costs associated with meeting the constitutional and statutory requirements of the Trust and include the audit fees and costs linked to the strategic management of the Trust. These costs are apportioned between Expenditure on Raising Funds and Expenditure on Charitable activities.

#### (e) Fund Accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Trust. Restricted funds are funds subject to specific restrictions imposed by donors. Permanent endowment funds are funds which the donor has stated are to be held as capital with income being used for church repairs and maintenance. Expendable endowment funds are funds which the donor has stated, along with the income generated, can be used for church repairs and maintenance.

#### (f) Tangible Fixed Assets

The Accounts Direction issued to the Trust by the Department for Digital, Culture, Media and Sport requires that tangible fixed assets are accounted for by modified historic cost accounting. However, the Trustees consider that the adjustments required to account for the tangible fixed

assets by modified historic cost accounting are immaterial and consequently, tangible fixed assets are accounted for by historic cost accounting.

Where individual tangible fixed assets exceed a value of £1,000, they are capitalised. They are stated at cost, which represents their purchase cost, together with any incidental costs of acquisition less accumulated depreciation.

Depreciation is calculated so as to write off the cost of assets, less their estimated residual values, on a straight line basis over the expected useful economic lives of the assets concerned. The principal annual rates used for this purpose are: Tenant's improvements: 20%; Furniture and fittings: 20%; and Equipment: 25%.

**(g) Intangible Fixed Assets**

Intangible fixed assets, intellectual property owned by the Trust, are included. They are capitalised at cost where they exceed a value of £1,000 and are depreciated over an estimated useful life of four years.

**(h) Fixed Asset Investments**

Fixed asset investments are stated at their year-end middle market value. Investments vested with churches are accounted for at their market value at the date of vesting. As a result, the consolidated statement of comprehensive income includes those unrealised gains and losses arising from the revaluation of the investment portfolio at the year end.

**(i) Finance and Operating Leases**

The Trust has no Finance leases. Operating lease costs are charged to the Statement of Comprehensive Income as incurred.

**(j) Heritage Assets**

The Trust maintains 353 (2017/18: 353) churches in support of the Trust's objective to protect these historic churches for the benefit of future generations. The Trustees consider that owing to the incomparable nature of the churches vested in the trust, conventional valuation approaches lack sufficient reliability and that even if valuations could be obtained, the costs would be onerous compared with the additional benefits derived by the Trust and the users of these accounts. As a result, no value is reported for these assets in the Trust's balance sheet. This approach is also in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities' 2015 (FRS 102).

The cost of associated major repairs is reported in the Income Statement in the year in which it is incurred.

Further information is given in note 12 to the accounts.

**(k) Pensions**

Past and present employees are covered by the provisions of the Principal Civil Service Pension Schemes (PCSPS) which are described in Note 5. The defined benefit schemes are unfunded. The Trust recognises the expected cost of these elements on a systematic and rational basis over the period during which it benefits from employees' services by payment to PCSPS of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS. In respect of the defined contribution schemes, the Trust recognises the contributions payable for the year.

**(l) Taxation**

The Trust is a registered charity and takes advantage of the exemptions available to charitable organisations. No provision has been made for taxation on its current activities.

**(m) Going Concern**

No material uncertainties that may cast significant doubt about the ability of CCT to continue as a going concern have been identified by the Trustees.

## NOTES TO THE ACCOUNTS

The charity's business activities, together with the factors likely to affect its future performance are set out in sections 3 to 9 of this report. Trustees consider the CCT has sufficient reserves together with long-term funding agreements with both DCMS and the Church Commissioners and as a consequence, Trustees believe that the Charity is well placed to manage its risks successfully. Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

**2. Comparative SOFA 2017-18**

	Unrestricted Funds	Restricted Funds	Endowment Funds	<b>Total 2018</b>
Notes	£	£	£	£
<b>INCOME</b>				
Donations & Legacies	607,628	366,016	-	<b>973,644</b>
Income from Charitable Activities	4,322,540	1,939,192	-	<b>6,261,732</b>
Income from Investments	691	17,376	-	<b>18,067</b>
Other Trading Activities	590,513	11,491	-	<b>602,004</b>
<b>TOTAL INCOME</b>	<b>5,521,372</b>	<b>2,334,075</b>	-	<b>7,855,447</b>
<b>Expenditure on Raising Funds</b>				
Fundraising and Communications	(670,388)	(54,369)	-	<b>(724,757)</b>
<b>Expenditure on charitable activities</b>				
Church Repairs and Maintenance	(2,723,578)	(1,872,756)	-	<b>(4,596,334)</b>
Keeping Churches Open	(2,110,008)	(427,635)	-	<b>(2,537,643)</b>
Total charitable activities	(4,833,586)	(2,300,391)	-	<b>(7,133,977)</b>
<b>TOTAL EXPENDITURE</b>	<b>(5,503,974)</b>	<b>(2,354,760)</b>	-	<b>(7,858,734)</b>
<b>Net income/(expenditure)</b>	17,398	(20,685)		<b>(3,287)</b>
<b>Other recognised gains and losses</b>				
Unrealised gains on investments	-	-	(62)	<b>(62)</b>
<b>Net movement in funds</b>	17,398	(20,685)	(62)	<b>(3,349)</b>
Balances brought forward at 1 April 2017	445,965	598,940	532,317	<b>1,577,222</b>
<b>Balances carried forward at 31 March 2018</b>	<b>463,363</b>	<b>578,255</b>	<b>532,255</b>	<b>1,573,873</b>

All amounts relate to continuing activities; there are no other recognised gains or losses which are not included above.



**3. Expenditure**

	Direct staff costs £	Other direct costs £	Support costs £	<b>2019 Total £</b>	2018 Total £
<b>Expenditure on Raising Funds</b>					
Fundraising and communications	449,706	40,847	253,403	<b>743,956</b>	724,757
<b>Expenditure on Charitable Activities</b>					
Church repairs and maintenance	761,366	3,540,448	432,059	<b>4,733,873</b>	4,596,334
Keeping churches open	1,600,149	281,012	832,113	<b>2,713,274</b>	2,537,643
<b>Total Charitable Activities</b>	<b>2,361,515</b>	<b>3,821,460</b>	<b>1,264,172</b>	<b>7,447,147</b>	<b>7,133,977</b>
<b>TOTAL EXPENDITURE</b>	<b>2,811,221</b>	<b>3,862,307</b>	<b>1,517,575</b>	<b>8,191,103</b>	<b>7,858,734</b>

The church repairs and maintenance figure above includes a grant of £1.4m (2016/17: £1.4m) to Churches Conservation, restricted for furtherance of the Churches Conservation Trust's charitable objects.

The Trust has spent all of its grant-in-aid received during the year and any reserves carried forward relate wholly to other sources of funding. The Trustees neither received nor waived any emoluments during the year (2017/18: £nil). Five (2017/18: four) received reimbursements for travel and subsistence for a total of £1,462 (2017/18: £1,167). Unclaimed Trustee expenses for the year are estimated at £1,000.

Net income is stated after charging Auditors' Remuneration of £18,060 (2017/18: £18,060)

ALLOCATED SUPPORT COSTS	Fundraising £	Church repairs & maint. £	Keeping churches open £	<b>2019 Total £</b>	2018 Total £
Staff costs	74,550	127,109	244,803	<b>446,462</b>	<b>426,158</b>
Office costs	65,971	112,482	216,631	<b>395,084</b>	<b>387,595</b>
Communications	19,046	32,474	62,543	<b>114,063</b>	<b>142,765</b>
IT costs	41,481	70,726	136,213	<b>248,420</b>	<b>187,290</b>
Professional consultancy	40,035	68,262	131,467	<b>239,764</b>	<b>225,464</b>
Depreciation	7,168	12,222	23,540	<b>42,930</b>	<b>56,105</b>
Governance	5,152	8,784	16,916	<b>30,852</b>	<b>19,178</b>
	<b>253,403</b>	<b>432,059</b>	<b>832,113</b>	<b>1,517,575</b>	<b>1,444,555</b>

Support costs are apportioned on the basis of staff time. Under FRS102 Governance cost have been removed from the Statement of Comprehensive Income and are now allocated across the main expenditure areas on a staff time basis.

#### 4. Salaries, Employment Costs and Expenses

	<b>2019 Total £</b>	2018 Total £
Gross salaries	2,249,989	2,231,475
Social security costs	185,713	220,532
Pension costs	395,173	415,312
Travel expenses	203,248	216,691
Staff training	41,724	29,713
Recruitment costs	30,628	33,190
Redundancy Costs	145,082	0
Staff admin costs	6,126	4,258
	<b>3,257,683</b>	3,151,171
Number of employees on FT basis as at 31 March	61	70

As at 31<sup>st</sup> March, four employees (2017/18: four) earned over £60,000 during 2018/19, with three salaries falling in the £60,000 to £70,000 band, and one in the £80,000 to £90,000 band. Total remuneration for the senior management team in 2018/19 was £446,630 (2016/17: £508,890). The total number of employees on 31 March 2019 was 69, which includes 32 employees on fixed term contracts or interim agency workers (2017/18: 78 and 28). The increase in staff numbers is due to new externally funded roles.

#### 5. Pensions

Pension benefits are provided through the Civil Service pension arrangements. From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or alpha, which provides benefits on a career average basis with a normal pension age equal to the member’s State Pension Age (or 65 if higher). From that date all newly appointed civil servants and the majority of those already in service joined alpha. Prior to that date, civil servants participated in the Principal Civil Service Pension Scheme (PCSPS). The PCSPS has four sections: 3 providing benefits on a final salary basis (classic, premium or classic plus) with a normal pension age of 60; and one providing benefits on a whole career basis (nuvos) with a normal pension age of 65.

These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, classic plus, nuvos and alpha are increased annually in line with Pensions Increase legislation. Existing members of the PCSPS who were within 10 years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015. Those who were between 10 years and 13 years and 5 months from their normal pension age on 1 April 2012 will switch into alpha sometime between 1 June 2015 and 1 February 2022. All members who switch to alpha have their PCSPS benefits ‘banked’, with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave alpha. (The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their benefits in the two schemes.) Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a ‘money purchase’ stakeholder pension with an employer contribution (partnership pension account).

Employee contributions are salary-related and range between 4.6% and 8.05% for members of classic, premium, classic plus, nuvos and alpha. Benefits in classic accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years initial pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum. classic plus is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per classic and benefits for service from October 2002 worked out as in premium. In nuvos a member builds up a pension based on his pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is updated in line with Pensions Increase legislation. Benefits in alpha build up in a similar way to nuvos, except that the accrual rate is 2.32%. In all cases members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member) into a stakeholder pension product chosen by the employee from a panel of providers. The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of classic, premium and classic plus, 65 for members of nuvos, and the higher of 65 or State Pension Age for members of alpha. (The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their benefits in the two schemes, but note that part of that pension may be payable from different ages.)

Further details about the Civil Service pension arrangements can be found at the website [www.civilservicepensionscheme.org.uk](http://www.civilservicepensionscheme.org.uk)

### Pension Contributions

For 2018/19 employers' contributions of £369,000 were payable to the PCSPS (2017/18: £377,000). For the partnership pension account, employers' contributions of £26,000 (2017/18: £27,000).

## 6. Intangible Fixed Assets

<b>GROUP AND CHARITY COST</b>	Total £
At 1 April 2018 and 31 March 2019	<u>191,301</u>
<b>DEPRECIATION</b>	
At 1 April 2018	115,940
Charge for the year	<u>42,930</u>
At 31 March 2019	<u>157,021</u>
<b>NET BOOK VALUE</b>	
<b>At 31 March 2019</b>	<u><b>34,280</b></u>
<b>At 31 March 2018</b>	<u><b>75,361</b></u>

## 7. Tangible Fixed Assets

	Tenants' Improvements £	Furniture & Equipment £	Total £
<b>GROUP AND CHARITY COST</b>			
At 1 April 2018 and 31 March 2019	39,619	105,544	<b>145,163</b>
<b>DEPRECIATION</b>			
At 1 April 2018	38,916	104,398	<b>143,314</b>
Charge for the year	703	1,146	<b>1,849</b>
At 31 March 2019	39,619	105,544	<b>145,163</b>
<b>NET BOOK VALUE</b>			
<b>At 31 March 2019</b>	-	-	-
<b>At 31 March 2018</b>	<b>703</b>	<b>1,146</b>	<b>1,849</b>

## 8. Fixed Asset Investments

	Permanent Endowment Funds £	Total Funds £
<b>GROUP AND CHARITY</b>		
At 1 April 2018	353,084	353,146
Sales	31,763	31,763
Purchases	(31,557)	(31,557)
Movement in cash	(206)	(206)
Net unrealised profit on revaluation	14,451	14,451
<b>At 31 March 2019</b>	<b>367,535</b>	<b>367,535</b>
Historic cost at 31 March 2019	255,361	255,361

The unrealised profit was calculated as a result of the Trust's annual revaluation of its assets.

## 9. Debtors

All amounts fall due within one year.	2019 Group £	2019 Charity £	2018 Group £	2018 Charity £
Listed Places of Worship Grant Scheme	144,713	144,713	123,170	123,170
Due from grant giving bodies	498,379	498,379	1,414,130	1,414,130
Legacies due	0	0	33,500	33,500
Other debtors and prepayments	304,787	222,271	183,635	225,396
	<b>947,879</b>	<b>865,363</b>	<b>1,754,435</b>	<b>1,796,196</b>

**10. Creditors**

Amounts falling due within one year.

	2019 Group £	2019 Charity £	2018 Group £	2018 Charity £
Trade creditors	191,986	176,790	590,931	568,206
Accruals and deferred income	260,294	146,827	45,533	44,033
Grant payment due to Foundation	936,514	936,514	1,375,556	1,375,566
Other creditors	206,189	204,110	231,364	229,687
	<b>1,594,983</b>	<b>1,464,241</b>	<b>2,243,384</b>	<b>2,217,492</b>

The Trust paid 99.5% of supplier invoices within 30 days of receipt.

**11. Funds**

GROUP	Balance as at 1 April 2018 £	Income £	Expenditure £	Unrealised gains on investments £	Balance as at 31 March 2019 £
Unrestricted funds	463,363	5,832,888	(5,809,249)	-	<b>487,002</b>
Restricted funds	578,255	2,348,652	(2,381,854)	-	<b>545,053</b>
Permanent Endowment	353,084	-	-	14,451	<b>367,535</b>
Expendable Endowment	179,171	-	-	-	<b>179,171</b>
	<b>1,573,873</b>	<b>8,181,540</b>	<b>(8,191,103)</b>	<b>14,451</b>	<b>1,578,761</b>

CHARITY	Balance as at 1 April 2018 £	Income £	Expenditure £	Unrealised gains on investments £	Balance as at 31 March 2019 £
Unrestricted funds	448,191	5,744,520	(5,713,241)	-	<b>479,470</b>
Restricted funds	578,255	2,348,652	(2,381,854)	-	<b>545,053</b>
Permanent Endowment	353,084	-	-	14,451	<b>367,535</b>
Expendable Endowment	179,171	-	-	-	<b>179,171</b>
	<b>1,558,701</b>	<b>8,093,172</b>	<b>8,095,095</b>	<b>14,451</b>	<b>1,571,229</b>

**Permanent Endowment Funds** comprise investments held by the Trust to provide income for certain specific churches vested in the Trust.

**Expendable Endowment funds** comprise assets held by the Trust which, together with the income generated, can be used for church repairs and maintenance.

**Restricted Funds** are an accumulation of smaller sums of money donated by the public for expenditure on the church for which they were given. A separate fund is maintained for each vested church with income, known collectively as the Specific Churches Funds. Expenditure funded by grants for specific projects is also accounted for through restricted funds. The largest five church balances at 31 March 2019 relate to: Redgrave St Mary, Croome d'Abitot St Mary Magdalene, Bungay St Mary, Inglesham St John and Shotley St Andrews.

## 12. Heritage Assets

The Trust maintains 353 churches which have been acquired since the CCT was established in 1969. These churches are those which have fallen into disuse and are considered to be sufficiently important to be conserved and maintained for the benefit of future generations. Although churches are transferred from the relevant Diocese at no cost to the Trust, they often arrive with urgent repair needs and no accompanying endowment, creating an increasing long term burden on the Trust's already limited finances. Every three years, one third of the Trust's estate is reviewed for repair liabilities.

**Additions in 2018/19:** None

**Disposals in 2018/19:** None

### Five year summary of heritage asset transactions

The number of Churches vested in the Trust and disposals are shown in the table below:

	2018/19	2017/18	2016/17	2015/16	2014/15
Churches vested in the Trust	353	353	350	349	347
New Vestings	-	3	1	2	3
Disposals	-	-	-	-	-

## 13. Operating Lease Commitments

The commitment in respect of operating leases were:	<b>2019</b>	2018
<b>Leases expiring under one year:</b>	<b>£</b>	<b>£</b>
Land and Buildings	<b>110,456</b>	<b>129,504</b>
<b>Leases expiring between two and five years:</b>		
Land and buildings	<b>271,462</b>	<b>435,504</b>
	<b>381,918</b>	<b>565,008</b>

Lease payments for Land and Buildings amounting to £125,397 were made in 2018/19 (2017/18: £72,735).

## 14. Repair Commitments

At 31 March 2018 the Trust had contracted for the following repair projects:

	<b>2019</b>	2018
	<b>£</b>	<b>£</b>
2018/19 Programme	-	1,076,066
2019/20 Programme	<b>59,973</b>	-
	<b>59,973</b>	1,076,066

At 31 March 2019, the Trustees had approved expenditure totalling £8.4 million (March 2018: £7.6 million) which, apart from the above programme expenditure, had not been contracted for at 31 March 2019.

**15. Net Assets**

<b>GROUP</b>	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	<b>2019 Total £</b>	2018 Total £
Tangible fixed assets	-	-	-	-	1,849
Intangible fixed assets	34,279	-	-	<b>34,279</b>	75,361
Investments	-	-	367,535	<b>367,535</b>	353,084
Cash	1,138,917	505,963	179,171	<b>1,824,051</b>	1,632,528
(creditors) less debtors	(686,194)	39,090	-	<b>(647,104)</b>	(488,949)
<b>Total</b>	<b>487,002</b>	<b>545,053</b>	<b>546,706</b>	<b>1,578,761</b>	1,573,873

<b>CHARITY</b>	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	<b>2019 Total £</b>	2018 Total £
Tangible fixed assets	-	-	-	-	1,849
Intangible fixed assets	34,279	-	-	<b>34,279</b>	75,361
Investments	1	-	367,535	<b>367,536</b>	353,085
Cash	1,083,158	505,963	179,171	<b>1,768,292</b>	1,549,702
(creditors) less debtors	(637,968)	39,090	-	<b>(598,878)</b>	(421,296)
<b>Total</b>	<b>479,470</b>	<b>545,053</b>	<b>546,706</b>	<b>1,571,229</b>	1,558,701

**16. Trading Subsidiary**

The Trust has a trading subsidiary, Churches Conservation Trust Enterprises Ltd (company number 08125965). Summary results are included below.

	<b>2019</b>	2018
	<b>£</b>	£
Turnover	220,431	244,522
Cost of Sales	(175,183)	(187,665)
Overhead costs	(32,716)	(31,685)
Profit	<b>12,532</b>	25,172
Gift Aid	(20,172)	(10,000)
Operating Profit	<b>(7,640)</b>	15,172
Current Assets	152,710	86,207
Current Liabilities	145,177	71,034
Net Assets	<b>7,532</b>	15,173
Share Capital	<b>1</b>	1

## **17. Related Party Transactions**

The Trust is sponsored by DCMS and the Church Commissioners. The Department for Digital, Culture, Media and Sport is regarded as a related party and transactions with the Department are fully disclosed in the notes to the accounts.

Churches Conservation (charity number 1150968), established during 2012/13, and shares a minority of its Trustees with the Trust. £804,000 was received from Churches Conservation in 2018/19 (2017/18: £1.02 million). A grant of £937,000 was paid to Churches Conservation in 2018/19 (2017/18: £1.39 million).

As at 31 March 2019, CCT had a creditor balance of £937,000 (£1.38 million at 31 March 2018) and a debtor balance of £453,000 (£1.03 million at 31 March 2018).

The Trust's Chief Executive and Director of Finance and Resources serve as unremunerated Directors of the Trust's trading subsidiary, Churches Conservation Trust Enterprises Ltd.

## **18. Post balance sheet events**

There were no post balance sheet events that need to be disclosed in these accounts.

## **19. Value of Volunteers**

The Trust relies heavily on the contribution made by volunteers and Friends Groups' to achieve its objectives. All of whose work helps enormously to enable the work of and help sustain the Trust.

We have not put a monetary value in the accounts on the many hours of work that our volunteers freely give. In 2018/19, based on responses to a volunteer survey, it has been calculated that our volunteers work 126,980 (2017/18: 120,330) hours per annum. If we were to value them at £7.83 per hour (national minimum wage for over 25's in 2018/19), the economic worth of the work they do for the year-ended 31 March 2019 would amount to £994,253 (2017/18: £942,184).



## 20. Acknowledgements

The Trust wishes to record its thanks for the continuing help and support it receives that enables it to do its work across its 353 churches. The list below notes the Trust's sponsors (who provide its Statutory Grant), the Trusts and Foundations, Friends of Churches, other organisations and individuals that, in the year, gave generously to the Trust.

### The Trust's Key Sponsors

The Department for Digital, Culture, Media and Sport  
The Church Commissioners  
The Department for Communities and Local Government (Coastal Revival Fund)  
The Department of Education

### Chancel Club

Ralph & Elizabeth Aldwinckle  
Michael Bartlett  
Stephen Chater  
Adrian Clark  
Stephen Dawson & Tom Peers  
Graham & Rebecca Donaldson  
Judith Donovan CBE  
James Gilpin  
Tim Harris  
Jono Hart  
Rupert Lycett Green  
Professor Vincent Porter  
Michael Rimmer  
Professor Andrew Spicer  
Dave Stewart

### Bulmer-Thomas Circle

Peter Aiers  
Anthony Bennett  
Professor Victor Bulmer-Thomas CMG, OBE  
The Revd. Richard Coles  
Edward Harley OBE, DL  
Peter Hirschmann  
Simon Hood  
Charles Jenkins  
Chris Kenny

### Donors

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Norma O'Flynn  
Michael Fowle CBE, FCA  
Professor Richard Jenkyns  
Ian Lennox  
Colin McCorquodale  
Robert McCracken

### Trusts, Foundations and Organisations

Allchurches Trust  
The Battens Charitable Trust  
Donald Insall Associates  
Essex Community Foundation  
Friends of Botolphs Church  
Friends of East Horndon Church  
Friends of St Leonard-at-the-Hythe,

### Vice Presidents and Patrons

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The Historical Fellowship  
The Idlewild Trust  
The Kildare Trust  
The Loppylugs & Barbara Morrison Charitable Trust  
The David Laing Foundation Trust  
The Edward Cadbury Charitable Trust

## NOTES TO THE ACCOUNTS

Colchester  
Friends of St Mary's Church, Bungay  
Friends of St Peter & St Paul, Albury  
Friends of St Peters Church, Swingfield  
Friends of Stourmouth Church  
Garfield Weston Foundation  
Groundwork UK  
Harrison's Charity  
Heritage Lottery Fund  
Holy Trinity Wensley Friends  
Innogy Renewables UK Ltd  
Michael Guest Charitable Foundation  
Sandwich Town Council

The Fairfield Charitable Trust  
The McCorquodale Charitable Trust  
The Millichope Foundation  
The On Organ Fund  
The Pettit Charity  
The PF Charitable Trust  
The Sir James Knott Trust  
The Spiller Trust  
The Tanner Trust  
The Veolia Environmental Trust  
Ward Forum Fund - Halifax  
White Ladies Aston PCC  
William A Cadbury Charitable Trust

### **Gifts in Wills or Pledged gifts**

Gifts in Wills play an important and much valued part in supporting the work of the Trust. We would like to thank the following named donors and those who wish to remain anonymous for pledging a gift for the Trust in their Wills:

Christopher Anderson  
Nigel Benford  
Darrell Buttery  
Richard Digby Day  
David Flemington  
Paul Mollard

### **In Memoriam**

The CCT gratefully acknowledges donations given in memory of:

Brian Anthony  
Alan Dawkins  
Val Pretlove.





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