

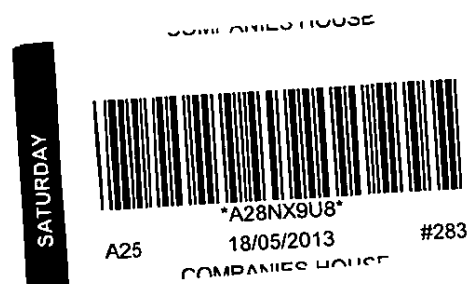
## Newcastle Diocesan Society

### Trustees' Report & Financial Statements

Year ended 31 December 2012

Company no 00021135

Charity no 247234



## NEWCASTLE DIOCESAN SOCIETY

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**NEWCASTLE DIOCESAN SOCIETY**  
**MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS**

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**Ex officio**

Rt Revd JM Wharton (*Bishop of Newcastle*)

Ven PJA Robinson (*Archdeacon of Lindisfarne*)

Ven GV Miller (*Archdeacon of Northumberland*)

**Elected**

Canon GJ Baker-Cresswell (*Chair*)

Mr SR Harper

Revd Canon JA Robertson

Revd Canon JR Sinclair (*resigned 07/03/2013*)

Revd Canon Dr D Winter

Mr M Stoker

Dr JC Appleby (*appointed 07/03/2013*)

Mr PA Sturgess (*appointed 07/03/2013*)

Rt Revd F White (*appointed 07/03/2013*)

**Secretary**

Mr GP Barnard (*resigned 31/12/2012*)

**Auditors**

UNW LLP

Chartered Accountants & Statutory Auditors

Citygate

St James' Boulevard

Newcastle upon Tyne

NE1 4JE

**Solicitors**

Sintons

The Cube

Barrack Road

Newcastle upon Tyne

NE4 6DB

**Bankers**

Barclays Bank Plc

Wingrove, 446 Westgate Road

Newcastle upon Tyne

NE4 9BN

**Registered office**

Church House, St John's Terrace

North Shields, Tyne and Wear

NE29 6HS

(Telephone 01912 704100)

(Fax 01912 704101)

**Company registration number**

00021135

**Registered charity number**

247234

# NEWCASTLE DIOCESAN SOCIETY

## TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2012

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The trustees, who are also directors for the purposes of company law, present their combined trustees' report and directors' report, together with the audited financial statements, for the year ended 31 December 2012

### **1 Reference and administrative details of the Newcastle Diocesan Society**

These are set out on page 3

### **2. Structure, governance and management**

The Newcastle Diocesan Society is a registered charity (Charity number 247234) acting as trustees and custodian trustee responsible for trust funds and properties held upon trust for the Diocese and Parochial Church Councils (PCC's)

The Board meets at least twice a year to agree and confirm actions/decisions taken with regards to access to, payments from and management of trust funds, and the allocation of grants from trusts in its care. This is carried out in the spirit of being '*Generous, Engaged and Open – sustaining local Christian presence*', which is the core of Diocesan strategy

#### **Company status**

The Newcastle Diocesan Society is a company limited by guarantee (Company registration number 00021135) by its Memorandum and Articles of Association dated 1885. It is registered as a charity with the Charity Commission

#### **Decision-making structure**

The Board of Trustees has delegated responsibility for the day-to-day management of the company to the Company Secretary, which involves the maintenance of the accounts, dealing with general enquiries from Managing Trustees and following through the decisions made by trustees. The trustees meet at least twice a year. The chairman does not have authority to make decisions on behalf of the trustees between meetings if it is thought that the matter is urgent. Any such decision is confirmed by the trustees at their next meeting. All decisions taken at the meetings are recorded in the minutes.

#### **Appointment of trustees**

The trustees who served the charity during the period are listed on page 3

The trustees are appointed by the Society after nomination by a written notice as required by the charity's Articles of Association. The articles also stipulate that not more than twenty persons may be so nominated as members of the Society during one year.

Trustees are given induction training when first appointed and receive on-going training, as appropriate. Where there is an identified training need this is provided in house, or if necessary external training will be arranged.

#### **Trustees' responsibilities**

Company law requires the trustees (in their capacity as directors) to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the net incoming or outgoing resources of the company for that year.

In preparing those financial statements the trustees are required to

- Select the most suitable accounting policies and apply them consistently,
- Make judgements and estimates that are reasonable and prudent,
- Follow applicable accounting standards and the SORP, subject to any material departures disclosed and explained in the financial statements,
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the corporate and trust assets of the company and ensuring their proper application under charity law and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees as a Board confirm that to the best of their knowledge there is no information relevant to the audit of which the auditors are unaware, and that they have each taken all necessary steps to ensure that they themselves are aware of all relevant audit information and that this information has been communicated to the auditors

**Connected charities**

The Society has a close relationship with the Newcastle Diocesan Board of Finance Limited (NDBF) which has trust funds held by the Society

**Risk management**

The trustees have examined the major business, strategic and operational risks that the Society faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks. The trustees review the risk register at least annually as part of the corporate risk management strategy

**3. Aims, objectives and activities**

**Aims and objectives**

The Society aims to promote, facilitate and assist with the work and purposes of the Church of England for the advancement of the Christian faith in the Diocese of Newcastle and elsewhere

The specific aims and objectives for the Society are as follows

- To manage the funds in accordance with its duties and responsibilities exercising appropriate stewardship for and on behalf of the Diocese and PCCs
- To monitor the performance of the investment managers acting on behalf of the Society and provide appropriate advice and direction as required
- To monitor the administration costs of the Society's unrestricted funds
- To maintain adequate reserves

The Society meets administration costs from its own funds and therefore no charges are made to individual trust funds

**Public Benefit**

The trustees are aware of the Charity Commission's guidance on public benefit in *The Advancement of Religion for the Public Benefit* and have had regard to it in their administration of the Society. The trustees believe that, by promoting the work of the Church of England in the Diocese of Newcastle, the Society helps to promote the whole mission of the Church (including pastoral, social and ecumenical) more effectively, both in the diocese as a whole and in its individual parishes, and that in doing so it provides a benefit to the public

**Statutory functions**

The Society acts as custodian trustee for a number of charities within the Diocese and in relation to PCC property and certain diocesan properties. Information is provided annually to each PCC detailing the investments and deposits held on their behalf and which should be reported within the individual PCC accounts

**Grant-making (beneficiary-selection) policy**

This is carried out in accordance with the terms and objectives of each individual trust under the umbrella of the Society with the consent and approval of the trustees

**Political and charitable contributions**

Charitable contributions have been paid as normal expenditure in the exercise of the Board's objectives. There have been no political contributions

**4. Achievements and performance**

**Plans and achievements in 2012**

During 2012 the Society planned to

- To manage the funds in accordance with its duties and responsibilities exercising appropriate stewardship for and on behalf of the Diocese and PCCs

- To monitor the performance of the investment managers acting on behalf of the Society and provide appropriate advice and direction as required
- To monitor the administration costs of the Society's unrestricted funds
- To maintain adequate reserves

The achievement of these aims can be quantified as follows

- The Society continues to be managed effectively in accordance with its terms and objectives
- Investments continue to be managed by the CBF with the aim of maximising investments despite the difficult economic climate with advice being provided on nature of investments and levels of risk

#### **Operational performance**

The trustees continued from the previous year to review trust funds held by the Society where the capital was a permanent trust and the income generated was, in present day terms, too small to be usefully applied in accordance with the terms of the trust

The trustees continue to seek advice and guidance from their professional advisers in relation to the investments. The trustees invest the capital of all the funds in the Central Board of Finances Investment Fund or the Central Board of Finances Deposit Fund. The fund conforms to the guidance given by the Church's Ethical Investment Advisory Group.

#### **Investment performance**

The total value of investments (excluding short-term cash deposits) at 31 December 2012 was £4,187,614 (2011 £3,831,957) and the total return on investment was 4.68% (2011 4.7%). The unrealised gain in the value of investments during the year amounted to £380,150, an increase of 9.92% on the equity portfolio.

### **5 Financial review**

#### **Overall financial position**

Income before revaluation adjustments totalled £196,114 (2011 £181,666) and expenditure amounted to £171,972 (2011 £121,789).

The Statement of Financial Activities (SOFA) for the year shows net incoming resources of £24,142 (2011 £59,878) before gains and losses on the investment assets.

After all gains and losses for the year, the net movement in funds amounted to a surplus of £404,293 (2011 deficit of £174,924).

During the year, total fund balances increased from £4,381,155 to £4,785,448.

#### **Principal Funding Sources**

100% of the income of the Society is from investments.

#### **Review of the financial position**

Due to the unrealised gain on investments, the balance sheet has strengthened during the year.

#### **Going concern**

After making enquiries the trustees are satisfied that the Society has adequate resources to continue to operate as a going concern for the foreseeable future and have prepared the financial statements on that basis.

#### **Investment policies**

The Memorandum and Articles of Association of the charity permit wide powers of investment. The Society's investment policies are based on two key policies:

*Ethical investment* - This includes ensuring that investments are held in companies which have high standards of corporate governance and act in a responsible way towards stakeholders.

*Long-term responsibilities* - the trustees are aware of their long-term responsibilities in respect of endowed funds and as a result follow a correspondingly prudent approach to investment decisions.

NEWCASTLE DIOCESAN SOCIETY  
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2012

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The trustees are aware of their long-term responsibilities in respect of endowed funds and as a result follow a correspondingly prudent approach to investment decisions

The trustees continually monitor the nature of the business by the companies in which they invest

Investment policy for long-term funds is aimed primarily at generating a sustainable income with due regard to the need for the preservation of capital value and the possible need to realise investments to meet operational needs

**Properties held in Trust**

There were 129 properties held by the Society at the year end. Due to the nature of the assets concerned it is not possible to place a valuation on the land and buildings, because these are custodian assets any valuation would be for disclosure purposes only

**Reserves policy**

The trustees need to keep a certain level of reserves as protection against unexpected fluctuations in income and to assist at certain times of the year with cash flow. At 31 December 2012 the amount available in the Society's general fund was £225,408 (2011 £175,629). The trustees confirm that the unrestricted funds are adequate and readily available to fulfil the obligations of administering the Society in the future

**6. Plans for future periods**

The trustees intend to continue to administer the funds in trust and meet the day to day running costs from the general fund. The specific objectives for 2013 remain as per previous years

- To manage the funds in accordance with its duties and responsibilities exercising appropriate stewardship for and on behalf of the Diocese and PCCs
- To monitor the performance of the investment managers acting on behalf of the Society and provide appropriate advice and direction as required
- To monitor the administration costs of the Society's unrestricted funds
- To maintain adequate reserves

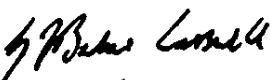
**7. Funds held as custodian trustee for others**

The Board is custodian trustee for trust investment assets with a market value of £1,537,302 at 31 December 2012 (2011 £1,421,116). The Board also holds Parochial Church Council (PCC) property as custodian trustee. Each PCC is a separate charity. These assets are held separately from those of the Society

**8 Appointment of auditors**

A resolution to reappoint UNW LLP as auditor to the company and to authorise the trustees to fix the level of remuneration will be proposed at the Annual General Meeting

By Order of the Board

  
Canon GJ Baker-Cresswell  
Chair  
9 May 2013

**NEWCASTLE DIOCESAN SOCIETY**  
**INDEPENDENT AUDITORS REPORT FOR THE YEAR ENDED 31 DECEMBER 2012**

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We have audited the financial statements of Newcastle Diocese Society for the year ended 31 December 2012 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with Sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of the trustees and auditors**

The trustees' (who are also the directors of Newcastle Diocesan Society for the purposes of company law) responsibilities for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and have been prepared in accordance with the Companies Act 2006. We also report to you whether in our opinion the information given in the Trustees' Annual Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the charity has not kept adequate accounting records, if the financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosure of trustees' remuneration specified by law are not made.

We read the Trustees' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

**Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.



# NEWCASTLE DIOCESAN SOCIETY

## INDEPENDENT AUDITORS REPORT FOR THE YEAR ENDED 31 DECEMBER 2012

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### **Opinion**

In our opinion

- 1 the financial statements give a true and fair view of the state of the charitable company's affairs as at 31 December 2012, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- 2 the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- 3 the financial statements have been prepared in accordance with the Companies Act 2006, and
- 4 the information given in the Trustees' Annual Report is consistent with the financial statements



**Andrew Wilson BA FCA (Senior Statutory Auditor)**

For and on behalf of

UNW LLP

Chartered Accountants & Statutory Auditors

Citygate

St James Boulevard

Newcastle upon Tyne

NE1 4JE

9 May 2013

**NEWCASTLE DIOCESAN SOCIETY**  
**STATEMENT OF FINANCIAL ACTIVITIES FOR YEAR ENDED 31 DECEMBER 2012**

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2012 £	Total Funds 2011 £
<b>Incoming resources</b>						
<b>Incoming resources from generating funds.</b>						
Investment income	2	18,458	66,772	107,910	193,140	180,666
Other incoming resources	3	2,974	-	-	2,974	1,000
<b>Total incoming resources</b>		<b>21,432</b>	<b>66,772</b>	<b>107,910</b>	<b>196,114</b>	<b>181,666</b>
<b>Resources expended</b>						
Charitable activities	4/6	(12,895)	(67,947)	(86,486)	(167,328)	(118,574)
Governance costs	5	(4,644)	-	-	(4,644)	(3,215)
<b>Total resources expended</b>		<b>(17,539)</b>	<b>(67,947)</b>	<b>(86,486)</b>	<b>(171,972)</b>	<b>(121,789)</b>
<b>Net outgoing resources before transfers</b>	7	<b>3,893</b>	<b>(1,175)</b>	<b>21,424</b>	<b>24,142</b>	<b>59,877</b>
Gross transfer between funds		26,483	289,881	(316,364)	-	-
<b>Net outgoing resources before other recognised gains and</b>		<b>30,376</b>	<b>288,706</b>	<b>(294,940)</b>	<b>24,142</b>	<b>59,877</b>
<b>Other recognised gains and losses</b>						
Realised gain/(loss) on investment assets		-	1,772	-	1,772	-
Unrealised gain/(loss) on investment assets		19,404	135,673	223,302	378,378	(234,802)
<b>Net movement in funds</b>		<b>49,780</b>	<b>426,151</b>	<b>(71,638)</b>	<b>404,293</b>	<b>(174,925)</b>
<b>Reconciliation of funds</b>						
<b>Total funds as at 1 January 2012</b>		<b>175,629</b>	<b>1,662,549</b>	<b>2,542,977</b>	<b>4,381,155</b>	<b>4,556,079</b>
<b>Total funds as at 31 December 2012</b>		<b>225,409</b>	<b>2,088,700</b>	<b>2,471,339</b>	<b>4,785,448</b>	<b>4,381,154</b>

All of the above amounts relate to continuing activities

**NEWCASTLE DIOCESAN SOCIETY**  
**INCOME AND EXPENDITURE ACCOUNT FOR YEAR ENDED 31 DECEMBER 2012**

	<b>Note</b>	<b>2012 £</b>	<b>2011 £</b>
<b>Expenditure</b>		<b>(85,486)</b>	<b>(70,807)</b>
<b>Operating loss</b>		<b>(82,512)</b>	<b>(70,807)</b>
<b>Non-operating items</b>			
Realised gains/(losses) on investments		1,772	-
Unrealised gains/(losses) on investments		155,077	-
		<b>74,336</b>	<b>(70,807)</b>
<b>Other income</b>			
Income from shares in listed companies	2	82,877	73,120
Interest receivable and similar income	2	2,354	1,769
		<b>85,231</b>	<b>74,889</b>
<b>Retained (deficit)/surplus for the financial year</b>		<b>159,567</b>	<b>4,082</b>

All of the above amounts relate to continuing activities

	<b>Note</b>	<b>2012 £</b>	<b>2011 £</b>
Net surplus for the financial year		159,567	4,082
Unrealised gain/(loss) on investments		-	(97,127)
<b>Total gain/(loss) recognised since the last annual report</b>		<b>159,567</b>	<b>(93,045)</b>

All of the above amounts relate to continuing activities

NEWCASTLE DIOCESAN SOCIETY  
BALANCE SHEET AS AT 31 DECEMBER 2012

	Note	2012 £	2011 £
<b>Fixed assets</b>			
Investments	11	4,187,614	3,831,957
		<u>4,187,614</u>	<u>3,831,957</u>
<b>Current assets</b>			
Cash at bank		601,794	552,398
Creditors amounts falling due within one year	12	(3,960)	(3,200)
<b>Net current assets</b>		<u>597,834</u>	<u>549,198</u>
<b>Net assets</b>		<u>4,785,448</u>	<u>4,381,155</u>
<b>The funds of the charity</b>			
Endowment funds	8	2,471,339	2,542,977
Restricted income funds	8	2,088,700	1,662,549
Unrestricted income funds	8	225,409	175,629
<b>Total funds</b>		<u>4,785,448</u>	<u>4,381,155</u>

These financial statements were approved by the members of the Society on the 9 May 2013 and are signed on their behalf by



Canon G J Baker-Cresswell  
Chair

Company number 00021135

**1. Principal accounting policies**

The financial statements comply with applicable accounting standards and the Statement of Recommended Practice "Accounting and Reporting by Charities" published in March 2005, as interpreted by the Diocesan Annual Report and Financial Statements Guide. A summary of the material accounting policies and estimation techniques adopted follows.

**Basis of preparation**

The Board prepares its annual financial statements on the basis of historical cost and the carrying of investment assets (including investment properties) at market value. The financial statements are drawn up in accordance with the requirements of the Companies Act 2006.

The Society acts as a trustee responsible for 121 Trust Funds held on behalf of the Diocese and Parochial Church Councils. Income received and expenditure on behalf of and distributions for the specified purposes of the funds in trust are included in the Statement of Financial Activities and are allocated to the capital or income funds as appropriate and in accordance with the terms of the trust deeds of the individual funds.

Fund balances are split between unrestricted, restricted and endowment funds.

- **Unrestricted** funds represent funds which are expendable at the discretion of the trustees in the furtherance of the objectives of the charity. Such funds may be held in order to finance both administration and operational costs.
- **Restricted** funds represent grants, donations, legacies and assets which are allocated by the donor for specific purposes. These are expendable at the discretion of the Society acting as trustee in furtherance of the objects of the individual trust. Restricted funds may be restricted income funds and/or capital funds, where the assets are required to be invested or retained for actual use rather than expended.
- **Endowment** funds represent grants, donations and legacies received where the donor has stipulated that the income may be used for general purposes, but the capital must be retained.

"Special trusts" (as defined by the Charities Act 2011) and any other trusts where the company acts as trustee and controls the management and use of the funds, are included in the company's own financial statements as charity branches, subject to the Charity Commission's determination of their accounting status.

Trusts where the Board acts merely as custodian trustee with no control over the management of the funds are not included in the financial statements but are disclosed in the trustees' annual report.

**Incoming resources**

All incoming resources are included in the Statement of Financial Activities (SOFA) when the Board is legally entitled to them as income or capital respectively, ultimate receipt is reasonably certain and the amount to be recognised can be quantified with reasonable accuracy.

Where a claim for repayment of income tax has or will be made, such income is grossed up for the tax recoverable.

The following accounting policies are applied to income:

- Investment income is accounted for when receivable and includes the related tax recoverable.
- Legacies and donations are accounted for when conditions for their receipt have been met. Legacies received in the form of property or investments are accounted for at the lower of probate or market value.

**Resources expended**

Expenditure is included on the accruals basis and has been classified under headings that aggregate all costs related to the SOFA category. The Society's operating costs include professional fees and other related costs representing management and administration expenditure.

# NEWCASTLE DIOCESAN SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 DECEMBER 2012

Distributions to beneficiaries are accounted for when expenditure has been incurred in respect of the various trust funds. Disbursements from trust funds are made strictly in accordance with the terms of the trust for the individual funds. Where the terms of a specific fund requires the consent of the Society, this is recorded in the minutes of the Society meeting at which it was discussed.

Governance costs represent expenditure incurred in the management of the trust funds, organisational administration, and compliance with constitutional and statutory requirements. These costs are charged to the General Fund not the individual trust funds.

### Investments

Investments are shown at their market value on the date of the balance sheet. Investments held by the Society as custodian trustee are not included in these accounts.

### Taxation

The Society's activities are exempt from taxation under Section 505 of the Income and Corporation Taxes Act 1988.

### Cash flow statement

The trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the Society is small.

## 2 Investment income

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds 2012	Total Funds 2011
	£	£	£	£	£
Income from UK listed investments	18,354	64,523	105,443	188,320	177,240
Bank interest receivable	104	2,249	2,467	4,820	3,426
	<u>18,458</u>	<u>66,772</u>	<u>107,910</u>	<u>193,140</u>	<u>180,666</u>

## 3 Other incoming resources

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds 2012	Total Funds 2011
	£	£	£	£	£
Sundry income	2,974	-	-	2,974	1,000
	<u>2,974</u>	<u>-</u>	<u>-</u>	<u>2,974</u>	<u>1,000</u>

## 4 Costs of charitable activities by fund type

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds 2012	Total Funds 2011
	£	£	£	£	£
Charitable activities	12,895	67,947	86,486	167,328	118,574
	<u>12,895</u>	<u>67,947</u>	<u>86,486</u>	<u>167,328</u>	<u>118,574</u>

# NEWCASTLE DIOCESAN SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 DECEMBER 2012

### 5 Governance costs

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2012 £	Total Funds 2011 £
Audit fees	4,600	-	-	4,600	3,200
Legal fees	44	-	-	44	15
	<u>4,644</u>	<u>-</u>	<u>-</u>	<u>4,644</u>	<u>3,215</u>

### 6 Analysis of resources expended including allocation of support costs

	Activities undertaken directly £	Grant funding activities £	Support costs £	Total Funds 2012 £	Total Funds 2011 £
Charitable activities	-	167,328	-	167,328	118,574

### 7 Net (outgoing)\incoming resources for the year

This is stated after charging

	2012 £	2011 £
Auditors' remuneration: fees - audit of the financial statements	<u>4,600</u>	<u>3,200</u>

### 8 Summary of fund movements

	Balance at 1 Jan 2012 £	Incoming resources £	Outgoing resources £	Gains and losses £	Transfers £
<b>Unrestricted Income Funds:</b>					
General Funds	175,629	21,432	(17,539)	19,404	26,483
<b>Restricted Income Funds:</b>					
Restricted Funds	1,662,549	66,772	(67,947)	137,445	289,881
<b>Endowment Funds:</b>					
Permanent Endowment Funds	2,542,977	107,910	(86,486)	223,302	(316,364)
	<u>4,381,155</u>	<u>196,115</u>	<u>(171,972)</u>	<u>380,150</u>	<u>0</u>

### 9. Analysis of transfers between funds

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2012 £
Transfers between funds to clarify cash balances	26,483	289,881	(316,364)	-
	<u>26,483</u>	<u>289,881</u>	<u>(316,364)</u>	<u>-</u>

Funds have been transferred between the various funds to reflect the correct cash balances held by each fund

### 10. Directors' remuneration and expenses

No remuneration has been paid to any director in their capacity as a director (2011: £NIL)

NEWCASTLE DIOCESAN SOCIETY  
NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 DECEMBER 2012

**11. Employee details**

The Society does not have any employees. All administrative functions are carried out by NDBF staff at no cost to the Society.

**12. Investments**

	Listed investments £
<b>Within the United Kingdom</b>	
At 1 January 2012	3,831,957
Additions	-
Disposals	(24,493)
Revaluation	380,150
<b>At 31 December 2012</b>	<b>4,187,614</b>
Historical cost at 31 December 2012	2,235,898

**13. Creditors: amounts falling due within one year**

	2012 £	2011 £
Other creditors	3,960	3,200

**14. Analysis of net assets between funds**

	Investments £	Net current assets £	Total £
<b>Restricted Income Funds</b>			
Restricted Funds	1,501,529	587,171	2,088,700
<b>Endowment Funds</b>			
Permanent Endowment Funds	2,471,340	-	2,471,340
<b>Unrestricted Income Funds</b>			
General Funds	214,746	10,663	225,408
<b>Total Funds</b>	<b>4,187,614</b>	<b>597,834</b>	<b>4,785,448</b>

At 31 December 2012 the Society managed 121 trust funds (2011: 123). These funds were held to cover a variety of purposes such as the upkeep and maintenance of the Church buildings, hall or yard, the upkeep of Church organs or music groups, general use by the trustees, ecclesiastical/charitable purposes, to be used at the discretion of the Bishop, Society or local vicar, and to provide funds for the NDBF to offset the cost of stipends.

**15. Related party transactions**

Eight of the trustees of the charity are also trustees of the NDBF. During the year the Society paid out £27,516 (2011: £27,273) to the NDBF in order to assist in the payment of stipends and capital expenditure, under terms of the trust agreements.