

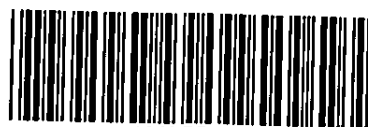


NEWCASTLE DIOCESAN SOCIETY

FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2009

Charity number 247234
Company number 00021135

TUESDAY



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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 2009

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

These are set out on page 18

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 Society 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 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 were as follows

The Rt Revd J M Wharton (*Bishop of Newcastle*)
The Ven PJA Robinson (*Archdeacon of Lindisfarne*)
The Ven GV Miller (*Archdeacon of Northumberland*)
Canon G J Baker-Cresswell (*Chair*)
Mr S R Harper
Dr M Mckendrick (*resigned 31/10/2009*)
Revd Canon J A Robertson (*Vice Chair*)
Mr RWC Wheatley (*resigned 31/10/2009*)

The trustees are appointed by the Society after nomination by a written notice of the security 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 ongoing 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.

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, it helps to promote the whole mission of the Church (pastoral, evangelistic, 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 by

- providing facilities for public worship, pastoral care and spiritual, moral and intellectual development, both for its members and for anyone who wishes to benefit from what the Church offers, and
- promoting Christian values, and service by members of the Church in and to their communities, to the benefit of individuals and society as a whole

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

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

5. Achievements and performance

Plans and achievements in 2009

During 2009 the Society planned to

- Manage the smooth operation of the society commensurate with its terms and objectives
- Maximise the investments for the trusts held under the umbrella of the Society
- Following the retirement of the administrator in September 2009 to effect a smooth transition of the routine management of the Society both administratively and financially

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
- The transition of the administrative and financial functions has been managed in a controlled and productive manner

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 (with one exception) in the Central Board of Finances Investment Fund or the Central Board of Finances Deposit Fund. The Fund, in an environment in which overall company dividends have fallen sharply, increased its own dividend to investors by a solid 3.1%. The Fund's objectives remain to provide an average total return over a business cycle of inflation plus 5% and within that, to provide a high income whose real value after inflation is sustained. The Fund conforms to the guidance given by the Church's Ethical Investment Advisory Group.

Investment performance

Overall performance

The total value of investments (excluding short-term cash deposits) at 31 December 2009 was £3.78m (2008 £3.51m) and the total return on investment was 4.9% (2008 1.9%). The unrealised gain in the value of investments during the year amounted to £322K, an increase of 9.2% on the equity portfolio.

6. Financial review

Overall financial position

Income before revaluation adjustments totalled £181K (2008 £131K) and expenditure amounted to £248K (2008 £155K).

The Statement of Financial Activities (SOFA) for the year shows net outgoing resources of £67K (2008 net outgoing resources of £24K) before gains and losses on the year-end revaluation of functional fixed assets and on investment assets.

After all gains and losses for the year, the net movement in funds amounted to £256K (2008 £1,223K outgoing).

During the year, total fund balances increased from £4.03m to £4.29m.

Principal Funding Sources

Around 95% of the income of the Society is from investments.

Review of the financial position

The balance sheet has strengthened during the year due to our achieving revaluation gains of £323K from the continuing improvement in the investment markets.

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.

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 2009 the amount available in the Society's general fund was £175K (2008 £191K). The trustees confirm that the unrestricted funds are adequate and readily available to fulfil the obligations of administering the Society in the future.

7. 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 2010 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

8 Funds held as custodian trustee for others

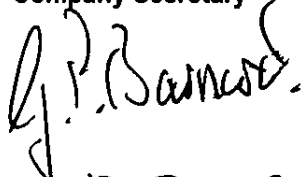
The Board is custodian trustee for trust investment assets with a market value of £1.39 m at 31 December 2009. Detailed certificates of holdings were sent to parishes and other managing trustees of the respective charities at that date. The Board also holds Parochial Church Council (PCC) property as custodian trustee. Each PCC is a separate charity. These assets are held separately from those of the Society.

9. Appointment of auditors

A resolution to reappoint **unw LLP** as auditors to the company and to authorise the trustees to fix their remuneration will be proposed at the Annual General Meeting.

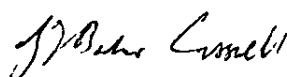
By Order of the Board

Mr GP Barnard
Company Secretary



Date 17 June 2010

Canon GJ Baker-Cresswell
Chair



NEWCASTLE DIOCESAN SOCIETY
INDEPENDENT AUDITORS REPORT FOR THE YEAR ENDED 31 DECEMBER 2009

We have audited the financial statements of Newcastle Diocese Society for the year ended 31 December 2009 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.

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 2009, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,

NEWCASTLE DIOCESAN SOCIETY
INDEPENDENT AUDITORS REPORT FOR THE YEAR ENDED 31 DECEMBER 2009

- 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

Date 17 June 2010

NEWCASTLE DIOCESAN SOCIETY
STATEMENT OF FINANCIAL ACTIVITIES FOR YEAR ENDED 31 DECEMBER 2009

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2009 £	Total Funds 2008 £
Incoming resources						
Incoming resources from generating funds:						
Investment income	2	8,953	68,752	102,093	179,798	125,980
Other incoming resources	3	1,224	-	-	1,224	5,203
Total incoming resources		10,177	68,752	102,093	181,022	131,183
Resources expended						
Charitable activities	4/6	(41,847)	(99,583)	(102,791)	(244,221)	(148,821)
Governance costs	5	(4,198)	-	-	(4,198)	(6,316)
Total resources expended		(46,045)	(99,583)	(102,791)	(248,419)	(155,137)
Net outgoing resources before transfers	7	(35,868)	(30,831)	(698)	(67,397)	(23,954)
Net outgoing resources before other recognised gains and losses		(35,868)	(30,831)	(698)	(67,397)	(23,954)
Other recognised gains and losses						
Realised gain/(loss) on investment assets		-	(516)	1,333	817	(4,373)
Unrealised gain/(loss) on investment assets		16,509	123,321	182,591	322,421	(1,194,738)
Net movement in funds		(19,359)	91,974	183,226	255,841	(1,223,065)
Reconciliation of funds						
Total funds as at 1 January 2009		191,128	1,594,027	2,244,289	4,029,444	5,252,509
Total funds as at 31 December 2009		171,769	1,686,001	2,427,515	4,285,285	4,029,444

All of the above amounts relate to continuing activities

NEWCASTLE DIOCESAN SOCIETY
INCOME AND EXPENDITURE ACCOUNT FOR YEAR ENDED 31 DECEMBER 2009

	Note	2009 £	2008 £
Income		1,224	203
Expenditure		<u>(145,628)</u>	<u>(21,419)</u>
Operating loss		<u>(144,404)</u>	<u>(21,216)</u>
Non-operating items			
(Loss)/profit on sale of investments		<u>(516)</u>	<u>230</u>
		<u>(144,920)</u>	<u>(20,986)</u>
Other income			
Income from shares in listed companies	2	73,636	30,854
Interest receivable and similar income	2	<u>4,069</u>	<u>22,513</u>
		<u>77,705</u>	<u>53,367</u>
Retained (deficit)/surplus for the financial year		<u>(67,215)</u>	<u>32,381</u>
		<u>(67,215)</u>	<u>32,381</u>

All of the above amounts relate to continuing activities

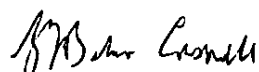
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	Note	2009 £	2008 £
Retained (deficit)/surplus for the financial year		(67,215)	32,381
Unrealised gain/(loss) on investments		<u>139,830</u>	<u>(510,130)</u>
Total gain/(loss) recognised since the last annual report		<u>72,615</u>	<u>(477,749)</u>

NEWCASTLE DIOCESAN SOCIETY
BALANCE SHEET AS AT 31 DECEMBER 2009

	Note	2009 £	2008 £
Fixed assets			
Investments	11	<u>3,780,498</u>	<u>3,513,059</u>
		3,780,498	3,513,059
Current assets			
Cash at bank		511,900	520,498
Creditors, amounts falling due within one year	12	<u>(7,113)</u>	<u>(4,113)</u>
Net current assets		<u>504,787</u>	<u>516,385</u>
Net assets		<u>4,285,285</u>	<u>4,029,444</u>
The funds of the charity			
Endowment funds	8	2,427,515	2,244,289
Restricted income funds	8	1,686,001	1,594,027
Unrestricted income funds	8	<u>171,769</u>	<u>191,128</u>
Total funds		<u>4,285,285</u>	<u>4,029,444</u>

These financial statements were approved by the members of the Society on the 17th June 2010 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 and custodian trustee responsible for 176 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 1993) 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.

NEWCASTLE DIOCESAN SOCIETY
NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 DECEMBER 2009

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.

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 2009	Total Funds 2008
	£	£	£	£	£
Income from UK listed investments	8,778	64,858	98,761	172,397	91,117
Bank interest receivable	175	3,894	3,332	7,401	34,863
	<u>8,953</u>	<u>68,752</u>	<u>102,093</u>	<u>179,798</u>	<u>125,980</u>

3. Other incoming resources

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds 2009	Total Funds 2008
	£	£	£	£	£
Sundry income	1,224	-	-	1,224	5,203
	<u>1,224</u>	<u>-</u>	<u>-</u>	<u>1,224</u>	<u>5,203</u>

NEWCASTLE DIOCESAN SOCIETY
NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 DECEMBER 2009

4. **Costs of charitable activities by fund type**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2009 £	Total Funds 2008 £
Charitable activities	41,847	99,583	102,791	244,221	148,821
	<u>41,847</u>	<u>99,583</u>	<u>102,791</u>	<u>244,221</u>	<u>148,821</u>

5. **Governance costs**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2009 £	Total Funds 2008 £
Audit fees	3,623	-	-	3,623	5,875
Legal fees	575	-	-	575	441
	<u>4,198</u>	<u>-</u>	<u>-</u>	<u>4,198</u>	<u>6,316</u>

6. **Analysis of resources expended including allocation of support costs**

	Activities undertaken directly £	Grant funding activities £	Support costs £	Total Funds 2009 £	Total Funds 2008 £
Charitable activities	-	244,221	-	244,221	148,821

7. **Net (outgoing)/incoming resources before transfers**

This is stated after charging

	2009 £	2008 £
Auditors' remuneration fees - audit of the financial statements	<u>3,623</u>	<u>5,875</u>

8. **Summary of fund movements**

	Balance at 1 Jan 2009 £	Incoming resources £	Outgoing resources £	Gains and losses £	Balance at 31 Dec 2009 £
Unrestricted Income Funds:					
General Funds	191,128	10,177	(46,045)	16,509	171,769
Restricted Income Funds:					
Restricted Funds	1,594,027	68,752	(99,583)	122,805	1,686,001
Endowment Funds:					
Permanent Endowment Funds	2,244,289	102,093	(102,791)	183,924	2,427,515
	<u>4,029,444</u>	<u>181,022</u>	<u>(248,419)</u>	<u>323,238</u>	<u>4,285,285</u>

NEWCASTLE DIOCESAN SOCIETY
NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 DECEMBER 2009

9. **Directors' remuneration and expenses**

No remuneration has been paid to any director in their capacity as a director (2008 £NIL)

10. **Employee details**

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

11. **Investments**

	Listed investments
Within the United Kingdom	£
At 1 January 2009	3,513,059
Additions	-
Disposals	(55,799)
Revaluation	323,238
At 31 December 2009	3,780,498
Historical cost at 31 December 2009	2,241,901

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

	2009	2008
	£	£
Other creditors	7,113	4,113

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

	Investments	Net current assets	Total
	£	£	£
Restricted Income Funds:			
Restricted Funds	1,448,024	237,977	1,686,001
Endowment Funds:			
Permanent Endowment Funds	2,139,066	288,449	2,427,515
Unrestricted Income Funds:			
General Funds	193,408	(21,639)	171,769
Total Funds	3,780,498	504,787	4,285,285

14. **Related party transactions**

Five of the trustees of the charity are also trustees of the NDBF. During the year the Society paid out £39K (2008 - £25K) to the NDBF in order to assist in the payment of stipends and capital expenditure, under terms of the trust agreements.

NEWCASTLE DIOCESAN SOCIETY
NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 DECEMBER 2009

15. Custodian assets

The Society is custodian trustee over the assets of St Hilda's Trust. The assets and movement on the assets during the current year is shown as follows below:

	2009	2008
	£	£
Listed investments	1,389,730	1,120,771
Cash & bank	23,065	82,946
Investment income	42,565	36,725
Other income	-	3,607
Resources expended	46,023	38,094
	<u>1,409,337</u>	<u>1,205,955</u>

The Society is also custodian trustee over 129 properties held by the various parishes within the diocese. Due to the nature of the assets concerned no valuation is available for these properties.

NEWCASTLE DIOCESAN SOCIETY
MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS

In accordance with the Companies Act 2006 and the Statement of Recommended Practice Accounting and Reporting by Charities issued in March 2005 (SORP 2005), the trustees (for the purposes of charity law) and directors (for the purposes of company law) during the year and as at the date of signing follow

Ex officio	The Rt Revd JM Wharton (<i>Bishop of Newcastle</i>) The Ven PJA Robinson (<i>Archdeacon of Lindisfarne</i>) The Ven GV Miller (<i>Archdeacon of Northumberland</i>)
Elected	Canon G J Baker-Cresswell (<i>Chair</i>) Mr S R Harper Rev Canon J A Robertson
Secretary	Mr G Barnard (<i>appointed 01/10/2009</i>)
Registered Office	Church House St John's Terrace North Shields Tyne and Wear NE29 6HS
Telephone	01912 704100
Facsimile	01912 704101
e-mail	v.ward@newcastle.anglican.org
Company registration number	00021135
Charity registration number	247234
Auditors	unw LLP Chartered Accountants & Statutory Auditors Citygate St James' Boulevard Newcastle upon Tyne NE1 4JE
Bankers	Barclays Bank Plc Wingrove 446 Westgate Road Newcastle upon Tyne NE4 9BN
Solicitors and Registrars	Sintons The Cube Barrack Road Newcastle upon Tyne NE4 6DB