Charity registration number 1113097

Company registration number 1119137 (England and Wales)

FRIENDS OF FRIENDLESS CHURCHES

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2026

FRIENDS OF FRIENDLESS CHURCHES

xeinadin

FRIENDS OF FRIENDLESS CHURCHES

LEGAL AND ADMINISTRATIVE INFORMATION

Charity number 1113097

Company number 1119137

Registered office
70 Cowcross Street
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President
The Most Honourable The Marquess of Salisbury KG KCVO PC DL

Episcopal Patron
Rt Rev'd J Wyn Evans BD FRHistS FSA

Vice-Presidents
John Porteous OBE
Hugh Johnson OBE
Professor Andrew Saint Hon FRIBA (until 16 July 2025)
Rev'd Philip Gray (from 2 December 2025)

Director
Rachel Morley BEng PgDip FSA

Auditor
Xeinadin Audit Limited
46 Hamilton Square
Birkenhead
Wirral
Merseyside
CH41 5AR

LEGAL AND ADMINISTRATIVE INFORMATION

Bankers	Coutts & Co St Martins Office 440 Strand London WC2R 0QS
	National Westminster Bank Plc 46 Notting Hill Gate London W11 3HZ
Solicitors	Clifton Ingram 22-24 Broad Street Wokingham RG40 1GA
Investment advisors	JM Finn & Co 25 Copthall Avenue London EC2R 7AH

FRIENDS OF FRIENDLESS CHURCHES

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FRIENDS OF FRIENDLESS CHURCHES

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2026

Herewith, the Trustees present their annual report and financial statements for the year ended 31 March 2026.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's Memorandum & Articles of association, the Companies Act 2006 and "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 2019).

In developing objectives and activities, the Trustees have given careful consideration to the Charity Commission's Guidance on public benefit.

Objectives and activities
The objects of the charity are:

- To secure the preservation of churches and chapels or of any part thereof, in the British Islands, whether belonging to or used or formerly used by the Church of England or by any other religious body, as places of public worship; to secure the preservation of monuments, fixtures, fittings, stained glass, furniture, ornaments and chattels in such churches or chapels; and to secure the preservation of the churchyard or burial ground belonging or formerly belonging to any such church or chapel.

- To secure the preservation of buildings of historic interest or architectural merit or beauty or of any part thereof, in the British Islands, used or formerly used as places of worship, for public access and the benefit of the nation; to secure the preservation of monuments fixtures, fittings, stained glass, furniture, ornaments and chattels in such buildings for public exhibition and the benefit of the nation; and to secure the preservation of the churchyard or burial ground belonging to or formerly belonging to any such building for public access and the benefit of the nation.

- To furnish or equip any such church, chapel or building, or any part thereof, as aforesaid, and to use it for the advancement of the Christian religion, or such other charitable purposes as the Charity shall from time to time determine.

- To repair, maintain, improve, beautify or reconstruct any church, chapel or building, or any part thereof, as aforesaid, or the monuments, fixtures, fittings, stained glass, furniture, ornaments or chattels therein, or the churchyard or burial ground belonging or formerly belonging thereto.

- To promote all or any of the aforesaid objects either by means of the acquisition by purchase, gift or otherwise of any such church, chapel, or building, or any part thereof, as aforesaid, or any interest therein, or of such chattels or land as aforesaid, or by means of grants or loans to any parochial church council, trustees or persons or body of persons whether corporate or incorporate having the ownership, care or custody of any such church, chapel or building, or of any part thereof, as aforesaid, or of any such chattels or land as aforesaid or in such other manner as the Charity shall from time to time determine.

Public benefit
The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charity should undertake.

The buildings in our care have always been spaces set aside for the public, and we believe this should remain the case – whether for occasional worship, private prayer or contemplation, heritage visits, interest groups, school visits and events, or community activities such as flower festivals, concerts, exhibitions, and lectures. We keep these places well-maintained, open, free for communities to use, and with the doors open to everyone.

All of our sites are free to enter and they include free take-away heritage information leaflets. Almost all of the churches are open daily, without the need to collect a key. A small handful require access by prior arrangement.

Achievements and performance
New vestings
In 2025-26, eight places of worship were vested in our care. This is more than any other single year in our 68-year history. These are: Biddlestone Chapel, Northumberland; Coanwood Meeting House, Northumberland; Cote Chapel, Oxfordshire; Farfield Meeting House, West Yorkshire; St Lawrence's, Gumfreston, Pembrokeshire; St Doged's, Llandoged, Conwy; St Tyfrydog's, Llandyfrydog, Anglesey; and, St Giles's, Tadlow, Cambridgeshire. This high number of vestings is due to two factors: St Lawrence's and St Giles's are churches that were working through the conveyancing process for many years and only completed in 2025; the demise of the Historic Chapels Trust (HCT) meant that they had to dispose of their buildings by 31 March 2026. We had been in negotiation about these places with the HCT since 2020.

The process of vesting churches in our care can take many years – in addition to our due diligence, there are various schemes that need to be drafted, published and consulted on, which are then followed by conveyancing. In some cases, where a church is in dire need, such as at St Lawrence's and St Giles's above, we start our repairs before the vesting process is complete.

Biddlestone Roman Catholic Chapel is a Gothic Revival construction over the base of medieval pele tower (a small fortified keep or tower house) with a WWII Anderson Shelter – a corrugated iron bomb shelter – in the under-croft. The building was formerly a private chapel to demolished Biddlestone Hall. Now it sits alone in the sweeping landscapes of Northumberland National Park.

Coanwood is a small stone meeting house clinging to the edge of a burn. Built in 1760, this remarkably unaltered Quaker meeting house preserves its original layout and furnishings, a rare and evocative survival.

Cote is an important 18th-century Baptist chapel built in golden Cotswold limestone with an attractive, distinctive gable. The interior retains a complete set of pews and galleries, illustrating the growth of dissenting worship and rural Nonconformist tradition. A drystone wall encloses a large burial ground with many memorials, including some individually-listed tombs.

Farfield Friends Meeting House was founded in 1689, shortly after the Act of Toleration, making it one of the oldest Quaker meeting houses in the world. The building survives very much in its original state. It is largely rubble-built, with a flagstone floor. The stone roof is open to the rafters with no ceiling. Inside, the simple interior has retained its original furnishings, including oak benches running along two walls and an oak Elders' stand under the west window.

St Lawrence's, Gumfreston, Pembrokeshire has become a defining part of our work in Wales for the past number of years. The medieval church, built in stages close to ancient holy wells, retains extensive original fabric, rare wall paintings and an iconic tower with a pre-Reformation bell. The site, architecture and decoration reflect both early Christian origins and later mercantile patronage. The rescue of St Lawrence's has taken many years and is the biggest conservation project we have ever undertaken.

St Doged's, Llanddoged possibly located on a pre Christian mound, has a double nave plan . It is perhaps most notable for its unusual chapel like interior created during a 19th century remodelling reflecting Nonconformist influence. Tiers of benches line the west wall and box pews are arranged to face a double-decker pulpit, lit by a rooflight and flanked by pictures and texts.

Associated with an intriguing local legend, St Tyfrydog's on Anglesey is a charming medieval Gothic church, with characterful late Georgian furnishings and interesting 19th-century glass. The church is in poor condition and will be the focus of a repair campaign in 2026-27.

St Giles's in Tadlow is a substantially 13th century structure which was restored by William Butterfield throughout the 1870s. Butterfield enhanced the medieval structure with exemplary 19th century craftsmanship and decoration – including stained glass by Alexander Gibbs, stencil decoration by Harland & Fisher, and tiles and marbles by Field Poole & Sons for the reredos and angular font.

Conservation & repair

St James's, Llangua in Monmouthshire, one of our most complex and challenging projects, completed in May 2025 and we were delighted to welcome visitors back to the church in June of that year. The repairs started 13 months earlier and involved extensive repair of the 15th-century wagon roof, strengthening with steels and re-roofing in sandstone tiles. The ceilings were renewed in lath and plaster, the walls were plastered and limewashed inside and out, and new drainage – above and below ground – was installed.

We were delighted to learn that our repair works at St James's were shortlisted for the 2026 European Heritage Europa Nostra Awards. Nominated in the 'Conservation and Adaptive Reuse' category, this is the first time our work has been recognised among major conservation projects across Europe.

The major repairs to the structure at St Lawrence's, Gumfreston were completed in the winter of 2024-25. However, this work revealed the presence of wall-paintings. In late 2025, we returned to site with grant aid from Cadw and the Pilgrim Trust, and a dedicated legacy, and began to reveal, consolidate and stabilise the paintings. Fragmentary remains of about seven different schemes survive. The work will complete and the church will re-open in the summer of 2026.

Our work to St Twrog's, Bodwrog on Anglesey completed in May 2025. We had spent seven months mending the roof, overhauling the rainwater goods and the below ground drainage. We repaired the glazing to the windows, raked out the cementitious pointing, and repointed the external masonry in lime mortar. The biggest job has been to address the intensely damp conditions internally; so intense, that the timber panelling had turned to mush in places, the walls were green and sprouting tufts of grass, and the floor structure was rotten to dust. All of this has been addressed, and the interior redecorated. The church will take some time to dry out, perhaps a few years, but we are hopeful that we have done all the right things to enable this.

St Doged's church in Llanddoged, Conwy closed for worship in 2015 and, in 2017, was designated a 'Pilgrim Church' by the Church in Wales. The building was in poor condition when we agreed to take it into our care in 2023. The church is double-naved and repairs were required to the slate roofs on the outer slopes of both, repairs were made to timber fascias and soffits, as well as to the rainwater goods. Internally, the skylight over the pulpit had rotted and been removed; this was repaired, a new plaster moulding was run and the window reinstalled. The woodwork is one of the most charming and impressive elements of the church – with complete box pews, tiered seating for children, panelling and a double-decker pulpit. Dry rot, however, had destroyed this woodwork in places. Where possible, repairs were made, but elsewhere elements were replaced. Finally, the electrics were overhauled and the interior redecorated. The church re-opened in June 2025, and is already extensively used by its community. The canvas panels of Christ and the Victoria Regina arms from behind the pulpit were removed for specialist conservation and reinstated in spring of 2026.

In November 2024, we began a 13-month project at St Andrew's, South Runcton in Norfolk. A full internal birdcage scaffold enabled comprehensive repairs. Failing low-level plaster was removed to expose rubble stone walls, which were consolidated and re-plastered. Roof coverings to the nave, apsidal chancel and vestry were renewed, with accompanying repairs to copings, kneelers and structural timbers. High-level access allowed structural repairs to the bellcote and west front, addressing significant cracking in the stonework. Rainwater goods were overhauled and below ground drainage improved. The defective render was repaired by specialists. Internally, ceilings and walls were redecorated. Faults in the roofs and rainwater goods meant that parts of St Andrew's had been subjected to prolonged saturation. We have redecorated internally, but some localised, high level areas continue to dry out and staining is inevitable. Conservation of the Creed panels, painted on to lino and embedded in the stone reredos niches, will be undertaken by a specialist conservator in July 2026.

In April of 2025, we began a programme of relatively minor repairs at St Deiniol's, Worthenbury in Wrexham. This largely focused on high level works to masonry and brickwork, some internal replastering and redecoration, electrical repairs and glazing repairs.

In June 2025, we began an extensive repair programme at St Mary's, Kenderchurch in Herefordshire. After being empty for more than 16 years, this church came into our care in 2023. The building had suffered a lot in the years of closure. Our work involved repairs to the roof – particularly the chancel and vestry roofs which had structural issues. We repaired and redecorated the attractive Victorian rainwater goods and refurbished the brick gulley that runs around the perimeter of the church and carries water downhill. The church is constructed of Old Devonian Sandstone, which was shaling badly in many places. The Conservation Officer for Herefordshire required us to lime render and limewash the church; this is a visual change, but it will protect the stonework and mean we don't have to periodically spend a fortune on stone replacements. Inside, we had to rebuild the floors which were decayed, and relay tiles in areas where embedded ironwork had corroded and expanded the floor surface. We undertook electrical repairs and redecorated the interior. The church will re-open in June 2026.

In the dying days of summer 2025, we started repairs at St Mary of the Angels', Brownshill in Gloucestershire – the youngest church in our care. We renewed the leadwork and cedar shingles to the bellcote, repaired the electrical installation, undertook lots of repointing, repaired the beautiful timber doors, and redecorated the interior to freshen and brighten it up.

In August 2025, we wrapped the tower of Old St Matthew's at Lightcliffe, Halifax in scaffolding to address the 18th-century stonework. The masonry had been severely compromised by corroding iron cramps and natural delamination from face-bedding. Metres-high in the sky, we dismantled the tower cupola and lantern, carved new stone elements (more than we anticipated from ground level), reassembled the structure, and pinned and mortared it all into place. At the time of writing, we have moved to the tower interior, where the 1970s membrane roof failed catastrophically and has been funneling water down into the tower. We need to replace the tower roof and renew the timber floors. Whilst on site, we are taking the opportunity to improve internal access which will enable the collection of monuments salvaged from the demolished church to be viewed more easily.

At St Michael's, Castlemartin in Pembrokeshire, contractors spent six months on site, undertaking repairs to the church building. Adjustments were made to the roof that was letting in water, failing lath and plaster panels between the rafters were renewed, the porch doors needed their woodwork and ironwork overhauled, and the masonry required repointing. We commissioned and installed a new stained glass window for the north aisle, and the wrought and cast iron lychgate with its striking bronze hand handles, made by local firm 'Knacky' Stephens in 1890, had expert conservation treatment to the timber and ironwork.

In addition to major repairs, routine and periodic maintenance, we have been undertaking a programme of rolling minor repairs across our estate. In recent years we have undertaken many repairs across our estate as, as a result, our buildings are generally in a good state of repair. There are some outstanding repair needs but we are aware of these and we have plans to address them. Many of these are being planned by the Estate Officer, newly appointed in early 2025. He has instructed and overseen a tremendous amount of work – including window repairs and floor investigative work due to persistent dampness at St Mary's, Penllech, Gwynedd and restoring unsafe gate piers at the Strict and Particular Baptist Chapel, Waddesdon, Buckinghamshire.

Funding - grants
2025-26 saw the successful continuation of the funding arrangement between the Charity, Cadw, and the Representative Body of the Church in Wales. This arrangement involves the Charity making an annual grant application to Cadw and the Church in Wales towards the repair and maintenance of redundant Welsh Anglican churches of architectural and historic importance vested with the Charity; we received £90,000 from the Church in Wales and £91,858 from Cadw. (£181,858 in total). We are immensely grateful for the financial support provided by Cadw and the Church in Wales.

As well as the generous grants from Cadw and the Representative Body of the Church in Wales, we received grant-aid from the National Heritage Memorial Fund, the Pilgrim Trust, the CPF Trust, and Essex Community Foundation. There were generous donations from trusts such as the Robbins Family Charitable Fund, Samuel Gurney Foundation, J & M Britton Trust and others. There have been donations from many kind individuals, who wish to remain anonymous.

Funding - legacies
With a growing estate and no regular public funding in England, fundraising becomes increasingly critical. The Charity is indebted to those who remember The Friends in their will, who donate and who fundraise for our work. In the last financial year, legacies have been gratefully received from John Borron, Anthony Chestney, Simon Evans, Janet Frost, Paul Haines, John Ivor Mitchell, Patricia Quaife, James Ransome, Colin Sparks, and Wyn Tudor Hughes.

Funding - donations and subscriptions
Membership subscriptions are a significant part of our income and are essential in enabling us to plan repairs for the year ahead, and we are especially grateful to the people who renew their membership. We are equally grateful to our new members. In 2025-26, our membership numbers reached a record high 3,587 members earning us an income of £121,276.

Collections made by volunteers and Friends groups at services and events are also a vital contribution to the continuation of our work and we are indebted to them.

We are truly overwhelmed by the generosity of our supporters. You enable us to do so much – to repair places that are for everyone, to provide employment, to bring people behind the scenes, to rescue places that would otherwise be lost. Our work is people-powered. The people who donate are too numerous to list, but please know that we are deeply grateful for all your support.

Supporter events
Our increased staff size mean we now have greater capacity to organise events for our supporters. In 2025-26, we undertook a number of events and plan to build on these and develop our events programme in the years to come.
In May, a group of 24 members joined us at St Andrew’s, South Runcton, in Norfolk, to take part in a hard-hat tour and hear from the project architect and contractors about the work needed to repair this church. In September, we welcomed over 50 supporters and local residents to St Michael’s, Castlemartin in Pembrokeshire, for an open morning showcasing a range of heritage skills needed to care and maintain a historic place of worship like St Michael’s.

March saw our first online talk, taking us on an illustrated journey in and around St Mary of the Angels' in Brownshill, Gloucestershire, delivered by storyteller, curator and Cotswolds specialist, Kirsty Hartsiotis.

Volunteering and outreach
As a small team with a dispersed estate, volunteers are crucial to our work; they are the backbone of our organisation. In 2025-26, total volunteer numbers increased reaching a high of 160 individuals by the end of the reporting period. Alongside this growth, procedures developed and introduced earlier in the year became embedded in the Charity's work: new volunteering frameworks, policies and guidance are now in active use, with onboarding, induction and ongoing support processes operating more smoothly and consistently.

Work with existing volunteers is a core focus, with regular contact maintained through meetings, calls and local events, while new enquiries continue to be managed. Recruitment expanded both in local church roles and in central support, including the recruitment of an invaluable Office and Events Volunteer. Volunteers contributed across a wide range of activities, including research, publications, event organisation, repairs, and practical church support, demonstrating the increasing depth of expertise and interest in our volunteer base.

Particular highlights in 2025-26 include, a popular, Saturday morning clean-up event at St Giles's, Tadlow in Cambridgeshire; a collaboration with the Yorkshire branch of the Council for British Archaeology where we led a day of recording and interpreting graffiti at St Helen's, Skeffling, East Yorkshire; a pipe organ restoration project at St Cadoc's, Llangattock Vibon Avel in Monmouthshire, where our volunteers worked closely with Pipe Up for Pipe Organs; and finally, a multi-day working party at St Michael's, Castlemartin, Pembrokeshire where volunteers helped to clear vegetation around the building and undertake some repointing. They also were able to 'have a go' at blacksmithing, watch a glazier prepare a new window, and hear from the church ecologist and architect. The working party concluded with an open morning, where locals were encouraged to call in, meet the volunteers, meet the craftspeople and meet the FoFC team.

Press & PR
Throughout 2025-26, we sought to increase the profile of the Charity and raise awareness about our work, and in mid-July 2025, we appointed Pamela Welsh, a freelance communications consultant to help us with our work. Amongst the press coverage we enjoyed during the year are: an article for the pan-European organisation, Future for Religious Heritage; an essay in The Tablet; and an essay in Grosmont Link. We contributed to articles in The Times, The Church Times; and were pleased to feature in articles in The Critic, the Hexham Courant, Western Telegraph and more.

We were pleased to feature on national and regional news programmes such as BBC Wales and ITV Coast & Country.

The Director and Trustees spoke at various conferences and events throughout the financial year, including Arts Society (Wrekin), the Historic Religious Buildings Alliance Big Update, Tywyn and District History Society, the Great Expectations conference, conservation students at Bath University.

We continue to generate engaging content that attracts our online supporters. We are very active on six channels: X, Facebook, Instagram, YouTube, BlueSky and LinkedIn. We are grateful for the encouragement, engagement and financial support from our online followers, which on 31 March 2026, totalled over 156,934 accounts.

Our social media output and engagement reached a high in the third quarter of 2025 when, in just two months, we gained over 41,358 new online supporters and our content received over 1.8 million views. A significant proportion of our new followers and expanded viewership came from the series of videos posted between late November and early January, with a close correlation between spikes in new memberships and the posting of our most highly viewed videos.

Charitable Trusts & Funds
Brett Trust
The Charity administers the Brett Trust for the benefit of churches at Tilbury-juxta-Clare, Ovington, Essex, and St Stephen's, Bournemouth. No applications were received in 2025-26.

Cottam Will Trust
The Charity administers a Trust Fund for the purchase of objects of beauty for the furtherance of religion, to be placed in ancient Gothic churches.

In 2025-26, seven applications were made to the Cottam Will Trust. Three awards were made. These were:

- £4,000 towards a new carved reredos frame to an array of 17th-18th century carved oak Biblical scenes at All Saints', Pocklington, East Riding of Yorkshire;
- £10,000 towards a new stained glass window celebrating the legacy of John Ray, who was known as the father of English natural history, at St Peter and St Pauls', Black Notley, Essex;
- £4,455 towards inscribed oak benches at St Peter's, Corpusty, Norfolk.
-

Other churches
The Charity administers special funds for the benefit of certain other churches: St Laurence's, Besselsleigh, Oxfordshire and St Brise's, Eglwys Brewis, Glamorgan.

Honours
Congratulations to our Chair of Trustees, Roger Evans, who has been honoured with an MBE for his services to ecclesiastical heritage in England and Wales. Trustees and staff are delighted by this recognition for Roger's immense contribution. We congratulate and thank him for all that he has given and achieved.

In memoriam
Trustees and staff were saddened to learn of the death of Rev. Professor John Morgan Guy in August 2025. John had served as a Trustee of the charity for many years until illness forced him to resign in 2023. With his vast expertise in a whole range of subjects, John formed part of the scholarly backbone of our organisation. He was exceedingly generous with his expertise, and prepared meticulously researched reports on the significance of every church we considered vesting and published articles about our churches within the academic sector. We are so grateful for all John did for our Charity.

We were also saddened to learn of the death of Professor Andrew Saint, who had been a Vice-President of the Charity for over ten years. Rest in Peace.

Financial review
The financial position is set out in the financial statements for the year. These show a surplus of £327,275 for 2025-26 including gains on investments of £755,546. The investment gains are largely unrealised. The comparative amounts for 2024-25 showed a net surplus of £710,746 after investment losses of £174,368. The Council had taken the opportunity to access grants when available in 2023-24 which have been expended in 2024-25 and 2025-26 and used for repairs and maintenance expenditure exceeding £2,600,000 in the year (£1,600,000 in 2024-25). Surplus reserves carried forward amount to £6,912,046 and incudes investments of £6,697,073 and cash at bank £155,464. Trustees are delighted to record their gratitude for the receipt of £1,263,023 in donations and £646,557 in legacies as reported elsewhere in this report.

Until February 2026, when the scheme was terminated, the Charity was a beneficiary under the Listed Places of Worship Grant Scheme (LPWGS) which allows VAT paid out on repairs and alterations to be reimbursed. The scheme's de minimis rule does however prevented the return of VAT that is under £1,000 in a standalone project. In January 2026, it was announced that the scheme, which was UK-wide, would be replaced with an England-only scheme called the Places of Worship Renewal Fund (PWRF). At the time of preparing this report, the scheme had not been launched and details of criteria, and the Charity's eligibility were unknown.

Reserves policy

The unrestricted reserves of the Charity are an inherent part of the risk management policy. They represent funds for the periodic repair of existing vested churches, to provide for the repair of new vestings (excluding those covered by the New Mechanism for the conservation of redundant churches in Wales), and to fund working capital required between the commencement of contracts and the receipt of third-party grants. The Council considered that, as of 31 March 2026, the unrestricted reserves were adequate to meet immediate and medium term needs but, the demands on the Charity and the need for long term repairs at existing vestings continues to grow. Our ability to save more churches depends critically upon funds being available for that purpose. Our existing vestings all require maintenance and periodic repairs, and the ability to save more churches depends critically upon funds being available for both purposes.

The restricted reserves of the Charity represent the funds held for the Cottam Will Trust left by Father Cottam, the Brett Trust established by Miss Winifred Brett in memory of her parents, the fabric funds for specific churches and grants received under the New Mechanism. The objects of the Cottam Will Trust and the Brett Trust are set out above. The assets held on behalf of these trusts are to provide income that is expended in accordance with the objects of those trusts. Specific fabric funds are held to pay for repairs to the relevant churches as required.

Grant-making policy

The major grant-making activity of the Charity relates to the Cottam Will Trust. Applications received are considered by the Council and grants are awarded based upon the conformity of the application with the objects of the Trust, the merit of the project and the financial need of the applicant. Further details of the conditions which applications must meet before they will be considered can be obtained from the office and are given on the Charity's website.

Grants are made from the Brett Trust in response to applications from the three churches for whose benefit the Trust was established.

It is not the policy of the Council to invite applications for grants from the unrestricted funds. However, the Council has made and will continue to make occasional small grants for the furtherance of the Charity's objects from these funds entirely at the discretion of the Council.

Investment Policy

The Council has appointed an Investment Sub-Committee which usually meets biannually. The Sub-Committee makes a formal report of its meetings to the Council. The Articles of Association, as amended in 2005, 2006 and 2021 grant the Council permissive rights to delegate discretionary investment powers and nominee status to an outside organisation. Detailed negotiations, assisted by the Charity's legal advisors, resulted in clearance from the Charity Commission to put these powers into force early in 2008-09. The function of the Investment Sub-Committee thus changed from reviewing individual holdings to that of recommending to the Council the strategic context within which our broker is delegated to operate and the subsequent monitoring of performance. The decision to buy or sell investments now rests with our broker alone. The strategic contexts for the general portfolio and for the Cottam Will Trust are set differently in order to match the objectives of the separate funds. Underlying strategy may occasionally be reviewed.

The members of the Investment Sub-Committee receive a quarterly report from the brokers showing the current composition of the portfolio and a current valuation. The changes are also reported to the office of the company. The report summarises actual income received and predictions of future income together with indicators which assist the Sub-Committee in its supervisory and monitoring role. A representative of J. M. Finn & Co, our broker, attends meetings of the Sub-Committee.

Risk Management

The Trustees have identified the major risks to which the Charity is exposed; systems have been established to mitigate those risks and are reviewed regularly. Trustees commission regular assessments of each of the vestings. Trustees are aware of their responsibility under the Equality Act. We maintain a policy of insuring all our churches and our insurance policies were comprehensively reviewed in 2025-26 with particular provisions increased. The financial position is regularly monitored by the Council.

Plans for future periods
The Charity will continue to strive for the preservation and conservation of the historic churches in its possession. The level of giving and legacies in recent years has enabled the Charity to tackle the backlog of repairs at certain places of worship in its care, and the taking on of additional threatened churches into care. Nevertheless, the Charity's capital base is likely to remain modest for a body charged with looking after 72 buildings (the current total number of buildings owned by the Charity).

The Trustees are mindful that almost a fifth of the reserves held by the Charity is restricted to the purpose of the Cottam Will Trust alone (see also page 7 of the Trustees' Report).

Structure, governance and management
The Charity was incorporated as a company limited by guarantee on 20 June 1973. Following the acquisition of charitable status in its own right on 13 March 2006, it took over the entire undertaking of the old, unincorporated charity (registered charity no. 209456) of the same name originally established in 1957, with effect from 1 April 2006. On 11 February 2008 the Charity Commission approved a Uniting Direction under section 96(5) of the Charities Act 1993 which directed that the predecessor charity (charity no. 209456) should be treated as forming part of the new charity. This authorised, inter alia, a single set of Accounts to be prepared for the whole entity.

The Charity is governed by its Memorandum and Articles of Association, as amended on 26 October 2005, and 6 March 2006 as part of the above re-organisation. A further amendment on 4 October 2021 permitted the use, in certain circumstances, of remote video-conferencing for general meetings and Council meetings.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Roger Evans MBE	
Peter Scott MBE FCA	
Simon Evans	
Rev'd Fr Philip Gray	(Resigned 2 December 2025)
Rev'd J Alex Barrow	
Sir Paul Britton CB CVO FSA	
George Bulmer	
Catherine Cullis MBE	
John Edwards ACA	
Dr Elizabeth Green FSA	
Richard Halsey MBE FSA	
Thomas Lloyd OBE DL FSA	
Kirstie Robbins RIBA AABC	
John Vigar FSA Scot FRSA	(Resigned 4 June 2026)

The Trustees of The Friends form the Council which is responsible for the governance and management of the Charity. Trustees are all elected annually by members of the Company at the Annual General Meeting, with the Council having the power to elect further members, where necessary, between meetings. When required, nominations for new appointments to the Council are sought from those with appropriate skills of benefit to the Charity and Company. Potential Trustees meet the Chairman and Director before a final proposal is put to the Council. Appointments run to the next Annual General Meeting. Each new member of the Council is briefed about the Charity and guidance on the responsibilities and duties of Trusteeship. Relevant material from the Charity Commission is distributed from time-to-time to all members of the Council to ensure that they remain up to date with current duties and practice.

The Council met four times in 2025-26, and the meetings were supplemented by the circulation of additional information as necessary, principally by e-mail, to keep the Council fully informed. The Investment Sub-Committee met twice during the year and the Staffing Committee met eight times.

The Annual General Meeting, which accepted the annual report for 2024-25, was held on 20 September 2025 at St Deiniol’s, Worthenbury, Wrexham. The meeting was chaired by Lord Salisbury, President of the Charity. 103 members attended.

All Trustees are honorary, and none receives a salary or remuneration. The Charity relies heavily on volunteers, particularly in the local friends groups based at many of our churches.

In 2025, the Trustees began a process of Governance Review to appraise the size, function, numbers and qualifications and skills needed of trustees; the term trustees served; how trustees are appointed; the use of experts who need not be trustees to advise. The review devised how the Charity might implement and achieve the objectives through potential transition phases. The implementation of these changes began in 2026 and will continue over a period of several years.

Auditor
In accordance with the company's articles, a resolution proposing that Xeinadin Audit Limited be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor
Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' report was approved by the Board of Trustees.

....
Roger Evans MBE
Trustee

Date: ....

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2026

The Trustees, who are also the directors of Friends Of Friendless Churches for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF FRIENDS OF FRIENDLESS CHURCHES

Opinion
We have audited the financial statements of Friends Of Friendless Churches (the 'Charity') for the year ended 31 March 2026 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 charitable company's affairs as at 31 March 2026 and of its incoming resources and application of resources, including its 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 Companies Act 2006.

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.

Conclusions relating to going concern
In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information
The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of our audit:
- the information given in the Trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the 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 directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees
As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the Charity for the purpose of company law, 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 charitable company 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our knowledge and experience of charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Companies Act 2006, Charities Act 2011, data protection, anti-bribery, and employment legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management team and inspecting legal correspondence; and identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management team as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and reviewing correspondence with relevant regulators.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF FRIENDS OF FRIENDLESS CHURCHES

Bradley Kelly BA BFP ACA FCCA (Senior Statutory Auditor)
For and on behalf of Xeinadin Audit Limited, Statutory Auditor
Chartered Accountants
46 Hamilton Square
Birkenhead
Wirral
Merseyside
CH41 5AR
Date: ....

FRIENDS OF FRIENDLESS CHURCHES

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2026

Current financial year	Notes	Unrestricted funds 2026 £	Restricted funds 2026 £	Endowment funds 2026 £	Total 2026 £	Total 2025 £
Income from:						
Donations and legacies	**3**	1,830,460	761,187	-	2,591,647	2,888,103
Other trading activities	**4**	11,992	-	-	11,992	6,893
Investments	**5**	156,778	26,608	1,053	184,439	176,975
Total income and endowments		1,999,230	787,795	1,053	2,788,078	3,071,971
Expenditure on:						
Raising funds	**6**	26,504	7,976	460	34,940	30,469
Charitable activities	**7**	465,927	2,715,482	-	3,181,409	2,071,388
Other material expenditure		-	-	-	-	85,000
Total expenditure		492,431	2,723,458	460	3,216,349	2,186,857
Net gains/(losses) on investments	**13**	538,640	195,312	21,594	755,546	(174,368)
Net income/(expenditure)		2,045,439	(1,740,351)	22,187	327,275	710,746
Transfers between funds		(1,933,331)	1,933,331	-	-	-
Net movement in funds	**10**	112,108	192,980	22,187	327,275	710,746
Reconciliation of funds:						
Fund balances at 1 April 2025		4,636,285	1,569,351	379,135	6,584,771	5,874,025
Fund balances at 31 March 2026		4,748,393	1,762,331	401,322	6,912,046	6,584,771

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

FRIENDS OF FRIENDLESS CHURCHES

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

Prior financial year	Notes	Unrestricted funds 2025 £	Restricted funds 2025 £	Endowment funds 2025 £	Total 2025 £
Income from:					
Donations and legacies	**3**	1,421,165	1,466,938	-	2,888,103
Other trading activities	**4**	6,893	-	-	6,893
Investments	**5**	157,005	17,399	2,571	176,975
Total income and endowments		1,585,063	1,484,337	2,571	3,071,971
Expenditure on:					
Raising funds	**6**	21,960	7,560	949	30,469
Charitable activities	**7**	386,756	1,684,632	-	2,071,388
Other material expenditure		-	-	85,000	85,000
Total expenditure		408,716	1,692,192	85,949	2,186,857
Net gains/(losses) on investments	**13**	(97,543)	(78,994)	2,169	(174,368)
Net income/(expenditure)		1,078,804	(286,849)	(81,209)	710,746
Transfers between funds		(431,417)	431,417	-	-
Net movement in funds	**10**	647,387	144,568	(81,209)	710,746
Reconciliation of funds:					
Fund balances at 1 April 2024		3,988,898	1,424,783	460,344	5,874,025
Fund balances at 31 March 2025		4,636,285	1,569,351	379,135	6,584,771

FRIENDS OF FRIENDLESS CHURCHES

BALANCE SHEET

AS AT 31 MARCH 2026

	Notes	2026 £	2026 £	2025 £	2025 £
Fixed assets					
Tangible assets	**15**		4		4
Heritage assets	**16**		11,610		11,610
Investments	**17**		6,697,073		6,185,212
			6,708,687		6,196,826
Current assets					
Debtors	**18**	153,807		128,736	
Cash at bank and in hand		155,464		341,069	
		309,271		469,805	
Creditors: amounts falling due within one year	**19**	(105,912)		(81,860)	
Net current assets			203,359		387,945
Total assets less current liabilities			6,912,046		6,584,771
The funds of the Charity					
Endowment funds	**21**		401,322		379,135
Restricted income funds	**22**		1,762,331		1,569,351
Unrestricted funds	**23**		4,748,393		4,636,285
			6,912,046		6,584,771

The financial statements were approved by the Trustees on ....

....
Roger Evans MBE
Trustee

Company registration number 1119137 (England and Wales)

FRIENDS OF FRIENDLESS CHURCHES

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2026

	Notes	2026 £	2026 £	2025 £	2025 £
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	**27**		(613,729)		626,844
Investing activities					
Purchase of investments		(612,794)		(536,778)	
Proceeds from disposal of investments		856,479		(79,127)	
Investment income received		184,439		176,975	
Net cash generated from/(used in) investing activities			428,124		(438,930)
Net cash generated from financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(185,605)		187,914
Cash and cash equivalents at beginning of year			341,069		153,155
Cash and cash equivalents at end of year			155,464		341,069

1 Accounting policies

Charity information

Friends Of Friendless Churches is a private company limited by guarantee incorporated in England and Wales. The registered office is 70 Cowcross Street, London, EC1M 6EJ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's Memorandum & Articles of Association, the Companies Act 2006, FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (“FRS 102”) and the Charities SORP "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 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

The charity had the following types of funds:

- General funds comprise unrestricted funds available for the Society's purpose at its discretion.
- Designated funds comprise unrestricted funds that have been allocated by the charity for particular purposes.
- Restricted funds are funds received for some specific aspect of the Charity's objects, including funds in respect of particular churches.
- Expendable endowment funds are funds received primarily as capital but which can be expended as income if the need should arise.

1.4 Income

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1 Accounting policies **(Continued)**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally on notification of the interest paid or payable by the bank.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category.

Expenditure on repairs to churches for which specific grants or other restricted funds have been received or are receivable are charged to the relevant restricted funds and any excess of expenditure over such funds represents support for those projects from general funds and is adjusted by a transfer from the Charity's general funds.

Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Irrecoverable VAT has been charged to the activity for which the expenditure was incurred.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities.

Governance costs comprise the costs of running the charity, including strategic planning for its future development, external audit, any legal advice for the Trustees, and all costs of complying with constitutional and statutory requirements, such as the cost of Committee meetings, and of preparing statutory accounts and satisfying public accountability.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost. Assets over £500 are not capitalised.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computers	33.33% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1 Accounting policies **(Continued)**

1.7 Heritage assets

The Charity owns the freehold or long leasehold of seventy-two churches, which come within the definition of heritage assets under SORP (FRS 102). These properties were acquired without cost in pursuit of the Charity's preservation and conservation objectives and the Council does not consider it appropriate or practical to attribute any value to them in view of their nature as historic buildings held for protection, with any use being very limited and subject to strict control. The Council believes that any valuation would lack sufficient reliability and incur onerous costs compared with the additional benefit derived by users of the accounts. Accordingly, these assets are not capitalised in the accounts. Details of the churches are given within the Annual Report, and it is the policy to provide access to the public to as many of the churches as possible.

Recent purchases of other heritage assets are reported in the balance sheet at cost, and as they are deemed to have indeterminate lives and to maintain their value, the Council do not consider it appropriate to charge depreciation.

Expenditure which, in the Council's view is required to preserve or prevent further deterioration of heritage assets, is recognised in the Statement of Financial Activities when it is incurred.

1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.9 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The Charity has elected to apply the provisions of Section 11 ‘Basic Financial Instruments’ and Section 12 ‘Other Financial Instruments Issues’ of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

1 Accounting policies **(Continued)**

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Cottam Will Trust

The financial statements include transactions and balances of the Cottam Will Trust, an associated charity, which is registered under the Friends of Friendless Churches. The Council actively promote the distinct purpose of the Cottam Will Trust, which is the purchase of objects of beauty to be placed in ancient Gothic churches in England and Wales, for the furtherance of religion.

2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Income from donations and legacies

	Unrestricted funds 2026 £	Restricted funds 2026 £	Total 2026 £	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
Donations and gifts	1,243,687	19,336	1,263,023	1,045,501	187,171	1,232,672
Legacies	461,692	184,865	646,557	280,433	-	280,433
Grants	1,500	556,986	558,486	-	1,279,767	1,279,767
Membership fees	121,276	-	121,276	94,147	-	94,147
Royalties	2,305	-	2,305	1,084	-	1,084
	1,830,460	761,187	2,591,647	1,421,165	1,466,938	2,888,103
Grants						
CADW	-	114,925	114,925	-	267,634	267,634
Church in Wales	-	90,000	90,000	-	103,835	103,835
Listed Places of Worship Scheme	-	186,368	186,368	-	251,756	251,756
National Heritage Memorial Fund	-	157,693	157,693	-	622,842	622,842
Garfield Weston Foundation	-	-	-	-	30,000	30,000
Reta Lila Howard Foundation	-	5,000	5,000	-	-	-
Other	1,500	3,000	4,500	-	3,700	3,700
	1,500	556,986	558,486	-	1,279,767	1,279,767

4 Income from other trading activities

	Unrestricted funds 2026 £	Unrestricted funds 2025 £
AGM contribution	1,769	-
Other income	1,963	1,985
Christmas card sales	8,260	4,908
Other trading activities	11,992	6,893

5 Income from investments

	Unrestricted funds 2026 £	Restricted funds 2026 £	Endowment funds 2026 £	Total 2026 £
UK investment income	67,133	6,539	1,053	74,725
Overseas investment income	17,475	3,244	-	20,719
Interest receivable	72,170	16,825	-	88,995
	156,778	26,608	1,053	184,439

Previous year

	Unrestricted funds 2025 £	Restricted funds 2025 £	Endowment funds 2025 £	Total 2025 £
UK investment income	67,571	7,309	2,571	77,451
Overseas investment income	15,499	2,686	-	18,185
Interest receivable	73,935	7,404	-	81,339
	157,005	17,399	2,571	176,975

6 Cost of raising funds

	Unrestricted funds 2026 £	Restricted funds 2026 £	Endowment funds 2026 £	Total 2026 £
Trading costs				
Purchase Christmas cards	4,708	-	-	4,708
Representations	928	-	-	928
	5,636	-	-	5,636
Investment management	20,869	7,976	460	29,305
Total costs	26,505	7,976	460	34,941

Previous Year

	Unrestricted funds 2025 £	Restricted funds 2025 £	Endowment funds 2025 £	Total 2025 £
Purchase Christmas cards	4,707	-	-	4,707
Representations	347	-	-	347
	5,054	-	-	5,054
Investment management	16,055	6,524	1,000	23,579
Total costs	16,402	6,524	1,000	23,926

7 Expenditure on charitable activities

	Charitable activities 2026 £	Charitable activities 2025 £
Direct costs		
Staff costs	232,775	181,126
Purchase of objects of beauty	46,613	4,710
Office costs	41,633	55,087
Repairs and maintenance	1,958,002	873,883
Insurance	32,819	33,411
Travel expenses	24,714	22,421
Website and media	33,504	33,100
Newsletter	28,320	26,995
New Vestings	32,867	-
Other costs	9,452	-
New Mechanism - Repairs and maintenance	652,448	777,923
New Mechanism - Professional Fees	444	2,299
New Mechanism - Insurance	22,997	18,052
New Mechanism - Travel	518	-
New Mechanism - Field Officer	-	2,229
New Mechanism - Sundries	1,937	500
New Mechanism - Volunteering	2,407	11,666
New Mechanism - New Vestings	22,274	-
	3,143,724	2,043,402
Grant funding of activities (see note 8)	500	6,000
Share of support and governance costs (see note 9)		
Governance	37,185	21,986
	3,181,409	2,071,388
Analysis by fund		
Unrestricted funds	465,927	386,756
Restricted funds	2,715,482	1,684,632
	3,181,409	2,071,388

8 Grants payable

	2026 £	2025 £
Grants to institutions:		
Art and Christianity	-	6,000
Christopher Dalton Memorial	500	-
	500	6,000

8 Grants payable **(Continued)**

-

9 Support costs allocated to activities

	2026	2025
	£	£
Governance costs	37,185	21,986

Governance costs comprise:	2026 £	2025 £
Audit fees	9,600	6,000
Accountancy	3,600	4,260
Legal and professional	8,333	3,064
Trustees' travel expenses	1,893	799
Bank charges	1,771	1,621
AGM and other expenses	11,988	6,242
	37,185	21,986

10 Net movement in funds

	2026	2025
	£	£
The net movement in funds is stated after charging/(crediting):		
Fees payable to the charity's auditor:		
- for the audit of the charity's financial statements	9,600	6,000
- for other financial services	6,030	4,260

11 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Charity during the year.

Travel expenses amounting to £1,893 have been reimbursed to 7 members of the Council during the year (2025 £799 to 8 members).

12 Employees

The average monthly number of employees during the year was:

	2026 Number	2025 Number
Administration	4	4

12 Employees **(Continued)**

Employment costs

	2026 £	2025 £
Wages and salaries	206,272	161,068
Social security costs	17,074	12,833
Other pension costs	9,429	7,225
	232,775	181,126

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2026 Number	2025 Number
£60,001 - £70,000	-	1
£70,001 - £80,000	1	-

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2026 £	2025 £
Aggregate compensation	83,742	79,994

13 Gains and losses on investments

Gains/(losses) arising on:	Unrestricted funds 2026 £	Restricted funds 2026 £	Endowment funds 2026 £	Total 2026 £
Revaluation of investments	560,378	203,228	4,017	767,623
Sale of investments	(21,738)	(7,916)	17,577	(12,077)
	538,640	195,312	21,594	755,546

Previous year

Gains and losses on investments

Gains/(losses) arising on:	Unrestricted funds 2025 £	Restricted funds 2025 £	Endowment funds 2025 £	Total 2025 £
Revaluation of investments	260,523	245,241	22,273	528,037
Sale of investments	(12,873)	2,983	-	(9,890)
	247,650	248,224	22,273	518,147

14 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

15 Tangible fixed assets

	Computers £
Cost	
At 1 April 2025	3,249
At 31 March 2026	3,249
Depreciation and impairment	
At 1 April 2025	3,245
At 31 March 2026	3,245
Carrying amount	
At 31 March 2026	4
At 31 March 2025	4

16 Heritage assets

	£
At 1 April 2025 and at 31 March 2026	11,610

Heritage assets recognised in the balance sheet comprise purchases by the Cottam Will Trust in past years where ownership has been retained by the Charity,

The Charity owns the freehold or long leasehold of 64 churches which are not recognised in the balance sheet.

17 Fixed asset investments

	Listed investments	Cash in portfolio	Total
	£	£	£
Cost or valuation			
At 1 April 2025	4,297,619	1,887,593	6,185,212
Additions	612,794	-	612,794
Valuation changes	768,255	-	768,255
Disposals	(446,500)	(422,688)	(869,188)
At 31 March 2026	5,232,168	1,464,905	6,697,073
Carrying amount			
At 31 March 2026	5,232,168	1,464,905	6,697,073
At 31 March 2025	4,297,619	1,887,593	6,185,212

	2026	2025
Investments at fair value comprise:	£	£
United Kingdom equities and funds	3,981,065	3,099,843
Overseas equities	1,251,103	1,197,775
	5,232,168	4,297,618

Fixed asset investments revalued
The historical cost of the investments was £3,421,612 (2025 £3,850,380).

18 Debtors

	2026	2025
Amounts falling due within one year:	£	£
Other debtors	153,807	128,736

19 Creditors: amounts falling due within one year

	2026 £	2025 £
Other taxation and social security	5,826	-
Trade creditors	83,926	68,920
Other creditors	16,160	12,940
	105,912	81,860

20 Retirement benefit schemes

Defined contribution schemes	2026 £	2025 £
Charge to profit or loss in respect of defined contribution schemes	9,429	7,225

The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund.

21 Endowment funds

Endowment funds represent assets which must be held permanently by the Charity. Income arising on the endowment funds can be used in accordance with the objects of the Charity and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

	At 1 April 2025 £	Incoming resources £	Resources expended £	Gains and losses £	At 31 March 2026 £
Permanent endowments					
Brett Trust	142,991	1,053	(460)	21,594	165,178
James Johnston Fund	236,144	-	-	-	236,144
	379,135	1,053	(460)	21,594	401,322

Previous year:	At 1 April 2024 £	Incoming resources £	Resources expended £	Gains and losses £	At 31 March 2025 £
Permanent endowments					
Brett Trust	224,200	2,571	(85,949)	2,169	142,991
James Johnston Fund	236,144	-	-	-	236,144
	460,344	2,571	(85,949)	2,169	379,135

21 Endowment funds **(Continued)**

The Brett Trust is an expendable endowment established by bequest for the repairs of three specific churches in Essex and Dorset.

The James Johnston Fund is an expendable endowment, comprising a legacy intended to be invested as capital in order to provide future income for the Charity's general purpose, but available to be expended for any purpose should the need arise.

22 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2025 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	At 31 March 2026 £
Welsh Churches - 4 Original	1,509	840	(8,921)	6,572	-	-
Welsh Churches - New Mechanism	29,309	343,228	(704,698)	347,126	357	15,322
Other Churches	-	193,604	(976,604)	908,137	-	125,137
Cottam Will Trust	1,207,597	10,053	(55,585)	497	199,451	1,362,013
Fabric Funds	330,936	229,918	(966,266)	662,657	(4,496)	252,749
Historic Chapels	-	10,152	(11,384)	8,342	-	7,110
	1,569,351	787,795	(2,723,458)	1,933,331	195,312	1,762,331

Previous year:	At 1 April 2024 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	At 31 March 2025 £
Welsh Churches - 4 Original	1,509	-	(770)	770	-	1,509
Welsh Churches - New Mechanism	19,120	637,651	(803,282)	175,649	171	29,309
Other Churches	-	521,770	(194,792)	(326,978)	-	-
Cottam Will Trust	1,285,969	10,501	(12,766)	(500)	(75,607)	1,207,597
Fabric Funds	118,185	313,998	(680,165)	582,476	(3,558)	330,936
	1,424,783	1,484,337	(1,692,192)	431,417	(78,994)	1,569,351

22 Restricted funds **(Continued)**

Restricted funds comprise:

The Cottam Will Trust for the purchase of objects of beauty to be placed in ancient Gothic churches in England and Wales for the furtherance of religion.

Other funds for the repair and upkeep of specific churches.

23 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2025 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	At 31 March 2026 £
General fund	3,801,664	1,999,230	(492,431)	(1,933,331)	538,640	3,913,772
Designated funds	834,621	-	-	-	-	834,621
	4,636,285	1,999,230	(492,431)	(1,933,331)	538,640	4,748,393

Previous year:	At 1 April 2024 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	At 31 March 2025 £
General fund	3,154,277	1,585,063	(408,716)	(431,417)	(97,543)	3,801,664
Designated funds	834,621	-	-	-	-	834,621
	3,988,898	1,585,063	(408,716)	(431,417)	(97,543)	4,636,285

Designated funds comprise specific income allocated by the trustees for the investment as capital to provide for future unrestricted income.

Transfers between funds comprise the excess of expenditure on repairs to churches for which specific grants or other restricted funds have been received over such funds, such excess being the support given to those projects from general funds.

24 Analysis of net assets between funds

	Unrestricted funds 2026 £	Restricted funds 2026 £	Endowment funds 2026 £	Total 2026 £
At 31 March 2026:				
Tangible assets	4	-	-	4
Heritage assets	-	11,610	-	11,610
Investments	4,665,982	1,706,656	324,435	6,697,073
Current assets/(liabilities)	82,407	44,065	76,887	203,359
	4,748,393	1,762,331	401,322	6,912,046

	Unrestricted funds 2025 £	Restricted funds 2025 £	Endowment funds 2025 £	Total 2025 £
At 31 March 2025:				
Tangible assets	4	-	-	4
Heritage assets	-	11,610	-	11,610
Investments	4,357,294	1,526,366	301,552	6,185,212
Current assets/(liabilities)	278,987	31,375	77,583	387,945
	4,636,285	1,569,351	379,135	6,584,771

25 Capital commitments

Amounts contracted for but not provided in the financial statements:

At 31 March 2026, there were no capital commitments, however the Trustees had authorised future expenditure of £55,807 in pursuit of the objects of the Cottam Will Trust.

26 Related party transactions

There were no disclosable related party transactions during the year (2025 - none).

27	Cash (absorbed by)/generated from operations	2026 £	2025 £
	Surplus for the year	327,275	710,746
	Adjustments for:		
	Investment income recognised in statement of financial activities	(184,439)	(176,975)
	Loss on disposal of investments	12,077	48,024
	Fair value gains and losses on investments	(767,623)	126,344
	Movements in working capital:		
	(Increase) in debtors	(25,071)	(65,502)
	Increase/(decrease) in creditors	24,052	(15,793)
	Cash (absorbed by)/generated from operations	(613,729)	626,844

28 Analysis of changes in net funds

The Charity had no material debt during the year.

The Charity was responsible for all or part of the year for 64 redundant but architecturally and historically important places of worship which are held either freehold or on long lease. They are:

English vestings

01 January 1974	Old St Matthew's, Lightcliffe, West Yorkshire	(99-year lease)
01 January 1974	Old St Luke's, Milland, West Sussex	(99-year lease)
01 January 1975	St Mary's, Mundon, Essex	(999-year lease)
01 January 1975	St Peter's, Wickham Bishops, Essex	(999-year lease)
01 January 1976	St Andrew's, South Huish, Devon	(999-year lease)
01 May 1976	Old St Peter's, Saltfleetby, Lincolnshire	(999-year lease)
26 July 1978	Chapel, Urishay, Herefordshire	(freehold)
24 June 1979	St Andrew's, Wood Walton, Cambridgeshire	(999-year lease)
05 December 1979	St John the Baptist's, Papworth St Agnes, Cambs	(freehold)
20 March 1980	St Mary's, Eastwell, Kent	(freehold)
03 July 1981	St John the Baptist's, Sutterby, Lincolnshire	(freehold)
15 April 1982	St Mary Magdalene's, Caldecote, Hertfordshire	(freehold)
07 September 1982	The Assumption, Hardmead, Buckinghamshire	(99-year lease)
07 October 1983	St Mary Magdalene's, Boveney, Berkshire	(999-year lease)
31 December 1986	Strict & Particular Chapel, Waddesdon, Bucks	(freehold)
01 February 2000	Ayshford Chapel, Burlescombe, Devon	(125-year lease)
15 March 2002	St John the Baptist's, Matlock Bath, Derbyshire	(freehold)
23 January 2007	St Peter's, Llancillo, Herefordshire	(freehold)
15 November 2010	Chapel of Ease, Thornton-le-Beans, N Yorkshire	(freehold)
01 January 2011	St John the Baptist's, Allington, Wiltshire	(freehold)
07 January 2011	St Mary's, Long Crichel, Dorset	(freehold)
20 May 2011	St Mary of the Angels, Brownshill, Gloucs	(freehold)
12 September 2011	St Mary's, Fordham, Norfolk	(freehold)
28 December 2011	All Saints', Ballidon, Derbyshire	(freehold)
30 November 2016	St Denis's, East Hatley, Cambridgeshire	(freehold)
17 December 2019	St Mary's, Temple Corsley, Wiltshire	(freehold)
17 December 2019	St Leonard's, Spernall, Warwickshire	(999-year lease)
02 October 2020	St Lawrence's, Hutton Bonville, North Yorkshire	(freehold)
16 November 2020	St Helen's, Barmby on the Marsh, East Yorkshire	(freehold)
27 August 2021	St Helen's, Skeffling East Yorkshire	(freehold)
20 January 2023	St Andrew's, South Runcton, Norfolk	(freehold)
22 February 2024	St Mary's, Kenderchurch, Herefordshire	(freehold)
04 July 2025	St Giles's, Tadlow, Cambridgeshire	(99-year lease)
20 September 2025	Coanwood Meeting House, Northumberland	(freehold)
20 September 2025	Biddlestone Chapel, Northumberland	(freehold)
18 December 2025	Farfield Meeting House, West Yorkshire	(freehold)
23 January 2026	Cote Chapel, Oxfordshire	(freehold)

Welsh vestings

01 November 1978	SS Afran, Ieuan & Sannan, Llantrisant, Anglesey	(999-year lease)
07 October 1983	St Andrew’s, Bayvil, Pembrokeshire	(999-year lease)
22 November 1989	St Mary the Virgin’s, Llanfair Kilgeddin, Mon	(freehold)
07 February 1991	St Baglan’s, Llanfaglan, Gwynedd	(freehold)
19 November 1999	St David’s, Llangeview, Monmouthshire	(999-year lease)
19 November 1999	St Mary’s, Tal-y-Llyn, Anglesey	(999-year lease)
19 November 1999	St Ellyw’s, Llanelieu, Powys	(999-year lease)
19 November 1999	St Beuno’s, Penmorfa, Gwynedd	(999-year lease)
10 August 2000	St David’s, Manordeifi, Pembrokeshire	(999-year lease)
17 December 2000	Chapel, Hodgeston, Pembrokeshire	(999-year lease)
01 December 2002	St Cynhaearn’s, Ynyscynhaearn, Gwynedd	(999-year lease)
01 December 2002	St Mark’s, Brithdir, Gwynedd	(999-year lease)
01 December 2002	St Mary’s, Derwen, Denbighshire	(999-year lease)
01 December 2002	St Eloi’s, Llandeloy, Pembrokeshire	(999-year lease)
01 January 2005	St Brothen’s, Llanfrothen, Gwynedd	(999-year lease)
10 June 2005	St Peulan’s, Llanbeulan, Anglesey	(999-year lease)
10 June 2005	St Decuman’s, Rhoscrowther, Pembrokeshire	(999-year lease)
24 April 2006	St Oudoceus’s, Llandawke, Carmarthenshire	(999-year lease)
01 February 2007	St Migael’s, Llanfigael, Anglesey	(999-year lease)
30 July 2008	St Michael’s, Llanfihangel Rogiet, Monmouthshire	(999-year lease)
14 May 2009	St Mary’s, Penllech, Gwynedd	(999-year lease)
01 December 2013	St Michael’s, Tremain, Ceredigion	(999-year lease)
24 June 2016	St Michael’s, Castlemartin, Pembs	(999-year lease)
27 October 2017	St Michael & All Angels, Gwernesney, Mon	(999-year lease)
27 October 2017	St Dogfael’s, Meline, Pembrokeshire	(999-year lease)
13 August 2018	St Jerome’s, Llangwm Uchaf, Monmouthshire	(999-year lease)
13 August 2018	St Anno’s, Llananno, Powys	(999-year lease)
10 March 2021	St Philip’s, Caerdeon, Gwynedd	(999-year lease)
21 March 2023	St Cadoc’s, Llangattock Vibon Avel, Mon	(999-year lease)
30 October 2024	St James’s, Llangua, Monmouthshire	(freehold)
25 March 2025	St Deiniol’s, Worthenbury, Wrexham	(999-year lease)
25 March 2025	St Twrog’s Bodwrog, Anglesey	(999-year lease)
20 September 2025	St Lawrence’s, Gumfreston, Pembrokeshire	(999-year lease)
20 September 2025	St Doged’s, Llanddoged, Conwy	(999-year lease)
21 October 2025	St Tyfrydog’s, Llandyfrydog, Anglesey	(999-year lease)