

REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2007

FOR

WORCESTER DIOCESAN TRUST REGISTERED

WORCESTER DIOCESAN TRUST REGISTERED

INDEX TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2007

Trustees' Annual Report

Independent Examiner's Report

Statement of Financial Activities

Balance Sheet

Notes to the Financial Statements

WORCESTER DIOCESAN TRUST REGISTERED

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2007

The trustees present their report with the financial statements of the trusts for the year ended 31 December 2007. The financial statements comply with the current statutory requirements, the trust's governing document and the SORP 2005.

Governance

The trustees must act in accordance with the governing document of each trust fund administered.

Trustees

The trusts were administered during the year by the trustees comprising of:

The Right Reverend Dr P S M Selby (Resigned 30.09.07)	The Right Reverend D S Walker
The Venerable Dr J D Tetley	The Venerable F M Trethewey
R W Higham	The Very Reverend P Atkinson
D Williams-Thomas	R L Harris

New trustees are appointed by the Bishop of Worcester.

The Right Reverend Dr J G Inge is an ex-officio trustee of the Endowment Fund and was appointed on 20 November 2007.

Principal Addresses

The trusts operate from The Old Palace, Deansway, Worcester WR1 2JE.

The bankers are Lloyds TSB Plc, 4 The Cross, Worcester WR1 3PY.

The independent examiner is J A Yelland, 22 Sansome Walk, Worcester WR1 1LS.

The solicitors are March & Edwards, 8 Sansome Walk, Worcester WR1 1LW.

The investment advisers are CCLA Investment Management Limited, 80 Cheapside, London EC2V 6DZ.

Objects and Aims

The object of the trusts is to administer funds on behalf of religious trusts in the Diocese of Worcester.

Organisation

The trusts are controlled by the Board of Trustees who have regular meetings to review the implementation of its objects. The objects are carried out by the administration staff employed by Worcester Diocesan Board of Finance Limited.

Investment Policy

The trustees' investment policy is to invest in equities and property shares to give a high return and long term capital growth. The shares invested in CBF Investment Fund Income Shares give a return of 3.18% (2006 - 3.02%) and capital growth of 2.5% (2006 - 10.4%). The shares invested in CBF Fixed Interest Securities Fund shares give a return of 5.63% (2006 - 5.55%) and capital decrease of 1.4% (2006 - 4.4% decrease). The shares invested in CBF Property Fund Shares give a return of 4.46% (2006 - 4.68%) and capital decrease of 6.8% (2006 - 15.6% growth).

Main Activities and Achievements

The activities of the trust during the year were to manage and administrate funds on behalf of various trusts in accordance with the individual trust details.

Reserves Policy

The trustee's policy on reserves is to maintain sufficient cash reserves to provide funding for grants for the foreseeable future. The trustees consider that there are sufficient cash reserves to continue providing funding for grants for the foreseeable future.

Risk Policy

The trustees regularly review the major risks to which the charity might be exposed and systems or procedures have been established to manage those risks.

The Right Reverend D S Walker - Trustee

Date:

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF

WORCESTER DIOCESAN TRUST REGISTERED

I report on the accounts of the Trusts for the year ended 31 December 2007 which are set out on pages 81 - 84

Respective responsibilities of trustees and examiner

As trustees you are responsible for the preparation of the accounts; you consider that an audit is not required. I have been asked by the Trustees to state, on the basis of the procedure specified in the General Directions given by the Charity Commissioners under Section 43 (7)(b) of the Charities 1993 (The Act), whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the trust and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

I have inspected a selected number of deeds of freehold properties held at 31 December 2007 as Custodian Trustees by the Worcester Diocesan Board of Finance Limited Trust Committee and by the Trustees of the Worcester Diocesan Trust Registered. I can confirm that those deeds inspected were in the names of the respective Trustees and that they appeared, from my inspection, to be in order. This inspection did not confirm the legal right to title or the technicalities of the deeds themselves, neither did it ensure that substitute documents of title had not been prepared. I report that the deeds were well and securely kept and there was an up to date and comprehensive index thereof. As a result of my inspection there are no matters which I wish to report to the Trustees.

With regard to the Schools, I have relied upon the Orders in Council and have not inspected the deeds themselves. I am informed that these are still in the original names and have not been transferred into the names of the Trustees of the Trust Registered or the Worcester Diocesan Board of Finance.

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

1. which gives me reasonable cause to believe that in any material respect, the requirements
 - to keep accounting records in accordance with Section 41 of the Act; and
 - to prepare accounts which accord with accounting records and to comply with the accounting requirements of the Act.have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

J A Yelland
Chartered Accountant
22 Sansome Walk
Worcester
WR1 1LS

WORCESTER DIOCESAN TRUST REGISTERED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2007

1. ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets and in accordance with applicable accounting standards, Statement of Recommended Practice 2005 and the governing document.

Investments

Investments are shown at current open market value.

2. The trustees, or any person connected with them, have not received any remuneration or reimbursement of expenses during the year.
3. The trusts have no employees.
4. The Cholmondeley Bequest is restricted to the maintenance of parsonage houses and consists of 2,000 CBF Investment Funds Income Shares held as permanent endowment. The market value of the shares at 31 December 2007 was £25,118 (2006 - £24,504). The income arising on the shares is held in a CBF Deposit Account and can only be used for the purpose of the fund. The balance on the account at 31 December 2007 was £10,694 (2006 - £10,694).
5. The Diocesan Records Office Fund is restricted to the maintenance of the records office and other Diocesan Trustee purposes. The fund consists of 17,616 CBF Investment Fund Income Shares from the sale of Lea House, Hallow, held as permanent endowment. Also, £5,000 is held in a CBF Deposit Account as permanent endowment. The income arising on the shares and deposit account is held in a CBF Deposit Account and can only be used for the purpose of the fund.

The fund also consists of 1,946 CBF Investment Fund Income Shares from the Lea Bequest, 4,022 CBF Investment Fund Income Shares from the sale proceeds of 5 and 6 College Street, Worcester and 10,085.46 CBF Fixed Interest Securities Fund Income Shares from accumulated dividends and interest. The market value of the shares at 31 December 2007 was £311,948 (2006 - £304,931). The balance on the deposit accounts at 31 December 2007 was £46,632 (2006 - £48,917).
6. The Stipends Fund is restricted to providing income for the payment of stipends. The fund consists of 9,562 CBF Investment Fund Income Shares held as permanent endowment. The income arising on the shares is paid to Worcester Diocesan Board of Finance Limited to assist in financing the payment of stipends. The market value of the shares at 31 December 2007 was £120,087 (2006 - £117,152).
7. The Trust Administration Fund is restricted to providing income for the administration of the Diocese. The fund consist of 1,342 CBF Investment Fund Income Shares held as permanent endowment. The income arising on the shares is paid to Worcester Diocesan Board of Finance Limited to assist the financing of the administration expenditure. The market value of the shares at 31 December 2007 was £16,884 (2006 - £16,442).
8. The Clergy Widows and Orphans Fund is restricted to providing for the maintenance of clergy widows and orphans in the Diocese of Worcester. The fund consists of 26,980 CBF Investment Fund Income Shares from the Bishop Pearce Trust, the Lewis Bequest and the sale proceeds of Loan Stock held as permanent endowment. The income arising on the shares can only be used for the purpose of the fund. The accumulated income is held in 50,122.83 CBF Property Fund Income Shares and a CBF Deposit Account. The market value of the shares at 31 December 2007 was £418,110 (2006 - £415,648).

WORCESTER DIOCESAN TRUST REGISTERED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2006 (Continued)

9. The Endowment Fund is restricted to providing income for the payment of stipends. The fund consists of 22,673.92 CBF Fixed Interest Securities Income Shares and 20,372 CBF Investment Fund Income Shares held as permanent endowment. The income arising on the shares is held in a CBF Deposit Account. The market value of the shares at 31 December 2007 was £291,283 (2006 - £285,531).

10. The Special Purposes Fund is held as permanent endowment to provide income for expenditure of the Diocese of Worcester as agreed by the trustees. The fund is held in 11,008 CBF Fixed Interest Fund Shares, 10,571.07 CBF Investment Fund Income Shares and 15,124.56 CGF Property Fund Shares, representing a legacy from Mrs D L Hamilton Cox Bequest. The income arising has been used to pay a grant of £8,178 to Worcester Diocesan Board of Finance Limited. The market value of the shares at 31 December 2007 was £173,920 (2006 - £172,639).

