

COMPANY REGISTRATION NUMBER: 4419680
CHARITY REGISTRATION NUMBER: 1094952

The Proclamation Trust
Company Limited by Guarantee
Financial statements
30 June 2022

The Proclamation Trust

Company Limited by Guarantee

Financial statements

Period from 1 January 2021 to 30 June 2022

	Page
Trustees' annual report (incorporating the directors' report)	1
Independent auditor's report to the members	8
Statement of financial activities (including income and expenditure account)	12
Statement of financial position	13
Statement of cash flows	14
Notes to the financial statements	15

The Proclamation Trust

Company Limited by Guarantee

Trustees' annual report (incorporating the directors' report)

Period from 1 January 2021 to 30 June 2022

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the period ended 30 June 2022.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and 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 published in October 2019.

Reference and administrative details

Registered charity name	The Proclamation Trust
Charity registration number	1094952
Company registration number	4419680
Principal office and registered office	The Proclamation Trust 116-118 Walworth Road London SE17 1JL

The trustees

The trustees who served during the period and at the date of approval were as follows:

Mr N J Buttery (appointed 2/9/21)
Mrs E K Cox
Mr S J Medcroft
Mr S D Pillar
Mrs K D Soole
Mr B Stone
Mr H J Warde (appointed 2/9/21)
Rev D J Jackman (resigned 22/4/2022)
Mr J Prime (resigned 13/5/2022)
Rev V E Roberts (resigned 7/7/2022)
Rev J L Samuel (resigned 30/11/2022)
Rev R A Weekes (resigned 13/4/2022)

The Proclamation Trust

Company Limited by Guarantee

Trustees' annual report (incorporating the directors' report) *(continued)*

Period from 1 January 2021 to 30 June 2022

Company secretary	Mr M J Clarkson
Auditor	Lovewell Blake LLP Chartered accountants & statutory auditor Bankside 300 Peachman Way Broadland Business Park Norwich NR7 0LB
Bankers	CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ

The Proclamation Trust

Company Limited by Guarantee

Trustees' annual report (incorporating the directors' report) *(continued)*

Period from 1 January 2021 to 30 June 2022

Objectives and activities

The charitable company's objects are the advancement of the Christian Gospel and in particular to preach and teach the Gospel of Jesus Christ as set forth in Scripture.

The policies adopted in furtherance of these objects are conferences at which increased numbers are normally attending, but the pandemic has affected in person attendance throughout both 2020 and 2021. There is also the Cornhill Training Centre from which more people are being placed in full time Christian work and there was an increase in attendees throughout the year.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charitable company should undertake. The charitable company is a public benefit entity.

The trust offers a small number of grants to overseas students to attend the Cornhill Training Course. These grants are offered at the discretion of Cornhill Training and the trustees. During the reporting period., the charity covered £24,735 of student fees from the bursary fund.

Achievements and performance

CONFERENCE PROGRAMME 2021-22

As the country emerged from the pandemic the trust continued to run some online events and also restarted a programme of in-person conferences, albeit a smaller programme than pre-Covid. This included the first in-person EMA since 2019. The future of the conference programme remains under review.

The Proclamation Trust

Company Limited by Guarantee

Trustees' annual report (incorporating the directors' report) *(continued)*

Period from 1 January 2021 to 30 June 2022

Financial review

The total income derived from gifts under gift aid, including income tax refunds and general donations amounted to £430,467, (2020: £142,954). Income from deposits and bank interest totalled £2,810 (2020: £4,435). Conference fees at £80,717 (2020: £81,437) reflected the level of activity during the period. Rent and service charges received from Willcox House was £Nil (2020: £48,614). The total income from the Cornhill Training Course was £774,338 (2020: £388,448). Total income from all sources amounted to £1,353,034 (2020: £695,275) and total expenditure was a credit of £3,046,412 as it includes a profit on the sale of Wilcox House of £4,688,007. Excluding this credit, expenditure totalled £1,641,595 (2020: £852,259).

Currently the whole of 116-118 Walworth Road is held as a fixed asset. Preparations are under way to let some of the building.

The trustees of the company acknowledge with gratitude the employees and those providing funds to the trust, without whose support the present strength of the company would not have been achieved.

The trustees believe that the charitable company is successfully achieving its objectives and future plans involve building on the success of the past.

Reserves policy

It is the policy of the charitable company that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charitable company's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

A significant proportion of the unrestricted fund reserves represents the gift of the freehold property and unrealised gains on investments. The charity retains the balance of reserves to fund future bursaries to Cornhill students and to meet the company's running costs, in total covering the period of six months expenditure, approximately £550,000. The free reserves at 30 June 2022 were £1,045,547 (2020: £783,501). Restricted funds are retained according to the instructions of the donors of the funds. Total funds held were £11,219,036 (2020: £6,819,590), including a restricted funds balance of £511 (2020: £19,641).

Investment powers

The trustees have the power to invest funds as set out in the Trustees Investment Act 1961, as modified by the Trustees Act 2001. The investment manager is Mr A C Green. The decision was taken in 2016 to dispose of the entire holding of quoted investments to provide income and some capital growth. The trustees consider the return of both income and value to be satisfactory. Investment property, when let, is at current commercial rent.

Plans for future periods

A draft 10 year development plan has been drawn up. Trustees have held several away days both during and after the reporting period to shape this plan which at the time of writing is still under review.

The Proclamation Trust

Company Limited by Guarantee

Trustees' annual report (incorporating the directors' report) *(continued)*

Period from 1 January 2021 to 30 June 2022

Structure, governance and management

Governing document

The charitable company is a company limited by guarantee, incorporated on 8 April 2002 and registered by the Charity Commission on 6 December 2002. It commenced to operate on 1 January 2003. The previous trust was an unincorporated charity, registered number 293976, which transferred all its assets and liabilities to the company on 1 January 2003 at their balance sheet value. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association.

Following legal advice, the original Articles of Association were replaced with new Articles of Association in May 2021.

Recruitment and appointment of trustees

Under the Articles of the charitable company, the trustees are elected at the Annual General Meeting to serve a maximum period of ten years, subject to ratification at each AGM. The trustees meet on a regular basis and appoint new trustees following consultation amongst themselves. The Articles of Association state that there must not be more than ten trustees.

Trustee induction and training

New trustees receive internal training as to their responsibilities.

Organisational structure

The trustees have authorised five senior executives, none of whom are trustees, to supervise the day to day running of the company. They report to the trustees at their meetings. Decisions are made by the trustees at regular meetings by a simple majority. The key management personnel comprise the Director of Cornhill Training, the Director of Conferences and Resources, (formerly the Director of Ministry), the Director of Women's Ministry, the International Director and the Company Secretary whose employee benefits totalled £265,220, (2020: £174,793).

The trustees, who are also the directors for the purpose of company law, and who served during the year are shown on page 1. None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The company's current policy concerning the payment of liabilities is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the charitable company's contractual and other legal obligations.

Arrangements for setting pay and remuneration of key management personnel

Pay for key management personnel, as for other staff, rose in line with the annual increases implemented by the Diocese of London of the Church of England.

The Proclamation Trust

Company Limited by Guarantee

Trustees' annual report (incorporating the directors' report) *(continued)*

Period from 1 January 2021 to 30 June 2022

Structure, governance and management *(continued)*

Risk management

The trustees have assessed the major risks to which the trust is exposed and are satisfied that systems are in place to mitigate exposure to the these risks.

Fundraising standards

The charity carries out limited fundraising activities in connection with its activities. No professional fundraisers or third-party commercial participators are used. There have been no complaints about the charity's fundraising this year. Fundraising is monitored by way of the charity recording all donations and events where income is received. No direct contact is made with the public regarding fundraising activities.

Trustees' responsibilities statement

The trustees (who are also directors for the purposes 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. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company for that period.

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 2019 (FRS102);
- 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;
- 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 are sufficient to show and explain the charity's transactions and 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.

The Proclamation Trust

Company Limited by Guarantee

Trustees' annual report (incorporating the directors' report) *(continued)*

Period from 1 January 2021 to 30 June 2022

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

The trustees' annual report and the strategic report were approved on 12 June 2023 and signed on behalf of the board of trustees by:

Mr H Warde
Trustee

The Proclamation Trust

Company Limited by Guarantee

Independent auditor's report to the members of The Proclamation Trust

Period from 1 January 2021 to 30 June 2022

Opinion

We have audited the financial statements of The Proclamation Trust (the 'charity') for the period ended 30 June 2022 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 June 2022 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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.

The Proclamation Trust

Company Limited by Guarantee

Independent auditor's report to the members of The Proclamation Trust

(continued)

Period from 1 January 2021 to 30 June 2022

Other information

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- 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 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.

The Proclamation Trust

Company Limited by Guarantee

Independent auditor's report to the members of The Proclamation Trust

(continued)

Period from 1 January 2021 to 30 June 2022

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes 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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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:

- Enquiry of management and those charged with governance;
- Enquiry of entity staff compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

The Proclamation Trust

Company Limited by Guarantee

Independent auditor's report to the members of The Proclamation Trust

(continued)

Period from 1 January 2021 to 30 June 2022

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

Use of our report

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mark Proctor FCA DChA (Senior Statutory Auditor)

For and on behalf of
Lovewell Blake LLP
Chartered accountants & statutory auditor
Bankside 300
Peachman Way
Broadland Business Park
Norwich
NR7 0LB

27 June 2023

The Proclamation Trust

Company Limited by Guarantee

Statement of financial activities (including income and expenditure account)

Period from 1 January 2021 to 30 June 2022

		Period from 1 Jan 21 to 30 Jun 22			Year to 31 Dec 20
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Donations and legacies	5	430,067	400	430,467	142,954
Charitable activities	6	855,105	—	855,105	469,885
Other trading activities	7	57,702	—	57,702	16,945
Investment income	8	2,810	—	2,810	53,049
Other income	9	6,950	—	6,950	12,442
Total income		<u>1,352,634</u>	<u>400</u>	<u>1,353,034</u>	<u>695,275</u>
Expenditure					
Charitable activities	10	(3,071,576)	25,164	(3,046,412)	852,259
Total expenditure		<u>(3,071,576)</u>	<u>25,164</u>	<u>(3,046,412)</u>	<u>852,259</u>
Net income/(expenditure) and net movements in funds before gains and losses on investments		4,424,210	(24,764)	4,399,446	(150,984)
Net gains on investments	12	—	—	—	(83,500)
Movement in pension liability				—	(6,000)
Net income/(expenditure) before transfer of funds		4,424,210	(24,764)	4,399,446	(67,484)
Transfers between funds		(5,634)	5,634	—	—
Net movement in funds		<u>4,418,576</u>	<u>(19,130)</u>	<u>4,399,446</u>	<u>(67,484)</u>
Reconciliation of funds					
Total funds brought forward		<u>6,799,949</u>	<u>19,641</u>	<u>6,819,590</u>	<u>6,887,074</u>
Total funds carried forward		<u>11,218,525</u>	<u>511</u>	<u>11,219,036</u>	<u>6,819,590</u>

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

The notes on pages 15 to 29 form part of these financial statements.

The Proclamation Trust
Company Limited by Guarantee
Statement of financial position
30 June 2022

		30 Jun 22		31 Dec 20	
	Note	£	£	£	£
Fixed assets					
Tangible fixed assets	17		10,172,978		2,090,448
Investments	18		—		3,926,000
			<u>10,172,978</u>		<u>6,016,448</u>
Current assets					
Debtors	19	93,129		375,469	
Cash at bank and in hand		<u>1,117,289</u>		<u>486,642</u>	
		1,210,418		862,111	
Creditors: Amounts falling due within one year	20	<u>(164,360)</u>		<u>(58,969)</u>	
Net current assets			1,046,058		803,142
Total assets less current liabilities			<u>11,219,036</u>		<u>6,819,590</u>
Net assets			<u>11,219,036</u>		<u>6,819,590</u>
Funds of the charity					
Restricted funds			511		19,641
Unrestricted funds			<u>11,218,525</u>		<u>6,799,949</u>
Total charity funds	22		<u>11,219,036</u>		<u>6,819,590</u>

These financial statements were approved by the board of trustees and authorised for issue on 12 June 2023, and are signed on behalf of the board by:

Mr H Warde
Trustee

Company registration number: 4419680

The notes on pages 15 to 29 form part of these financial statements.

The Proclamation Trust

Company Limited by Guarantee

Statement of cash flows

Period from 1 January 2021 to 30 June 2022

	30 Jun 22 £	31 Dec 20 £
Cash flows from operating activities		
Net income/(expenditure)	4,399,446	(67,484)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	13,807	–
Net gains on investments	–	(83,500)
Dividends, interest and rents from investments	(2,810)	(53,049)
Gains on disposal of tangible fixed assets	(4,688,007)	–
<i>Changes in:</i>		
Trade and other debtors	282,340	(290,405)
Trade and other creditors	105,391	(57,035)
Cash generated from operations	110,167	(551,473)
Net cash from/(used in) operating activities	110,167	(551,473)
Cash flows from investing activities		
Dividends, interest and rents from investments	2,810	53,049
Purchase of tangible assets	(8,882,330)	(168,260)
Proceeds from sale of tangible assets	5,474,000	–
Proceeds from sale of other investments	3,926,000	–
Net cash from/(used in) investing activities	520,480	(115,211)
Net increase/(decrease) in cash and cash equivalents	630,647	(666,684)
Cash and cash equivalents at beginning of period	486,642	1,153,326
Cash and cash equivalents at end of period	1,117,289	486,642

The notes on pages 15 to 29 form part of these financial statements.

The Proclamation Trust

Company Limited by Guarantee

Notes to the financial statements

Period from 1 January 2021 to 30 June 2022

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is The Proclamation Trust, 116-118 Walworth Road, London, SE17 1JL.

2. Statement of compliance

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

3. Accounting policies

Period of account

These accounts cover an 18 month accounting period. The reasoning behind the extended accounting period is to bring the account period more in line with the period of operations of the charity being from 1 September to 31 August.

The comparative amounts presented in the accounts, including the related notes, are therefore not entirely comparable.

The charity was authorised to change its accounting period under the terms of its governing document.

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

The Proclamation Trust

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Period from 1 January 2021 to 30 June 2022

3. Accounting policies *(continued)*

Income

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

- | | |
|-----------------------|---------------------|
| Freehold property | - 2% straight line |
| Fixtures and fittings | - 25% straight line |

The Proclamation Trust

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Period from 1 January 2021 to 30 June 2022

3. Accounting policies *(continued)*

Depreciation *(continued)*

Depreciation has not been provided on freehold and leasehold land and building as the residual value is higher than the carrying value.

Investment property

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure.

Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in income or expenditure.

If a reliable measure of fair value is no longer available without undue cost or effort for an item of investment property, it shall be transferred to tangible assets and treated as such until it is expected that fair value will be reliably measurable on an on-going basis.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Pensions

Defined Contribution Plan

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

The Church of England Funded Pension Scheme

Proclamation Trust participates in the Church of England Funded Pensions Scheme for stipendiary clergy, a defined benefit pension scheme. This scheme is administered by the Church of England Pensions Board, which holds the assets of the scheme separately from those of the Employer and the other participating employers.

Each participating employer in the Church of England Funded Pensions Scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. It is not possible to attribute the Scheme's assets and liabilities to each specific employers, and this means contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SOFA in the year are contributions payable towards benefits and expenses accrued in that year, plus any impact of deficit contributions

The Proclamation Trust

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Period from 1 January 2021 to 30 June 2022

3. Accounting policies *(continued)*

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

4. Limited by guarantee

The charity is a company limited by guarantee and does not have a share capital. The members have guaranteed that in the event of the charity being wound up during their membership or one year thereafter, each would contribute to the assets of the charity a sum not exceeding £1.

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Donations			
Donations and gifts	430,067	400	430,467
	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Donations			
Donations and gifts	137,134	5,820	142,954

6. Charitable activities

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2020 £
Conferences and Training	80,717	80,717	81,437	81,437
Cornhill Training Course	774,388	774,388	388,448	388,448
	855,105	855,105	469,885	469,885

7. Other trading activities

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2020 £
PT Media sales and other income	57,702	57,702	16,945	16,945

The Proclamation Trust

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Period from 1 January 2021 to 30 June 2022

8. Investment income

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2020 £
Income from investment properties	–	–	48,614	48,614
Income from cash investments	2,810	2,810	4,435	4,435
	<u>2,810</u>	<u>2,810</u>	<u>53,049</u>	<u>53,049</u>

9. Other income

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2020 £
Coronavirus job retention scheme	6,950	6,950	12,442	12,442

£6,950 relates to government grant income (2020: £12,442).

The Proclamation Trust

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Period from 1 January 2021 to 30 June 2022

10. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Grants Payable	4,964	–	4,964
Conferences and Training	229,436	–	229,436
Cornhill Training Course	1,121,630	24,735	1,146,365
PT Media	5,375	–	5,375
International Director	45,000	–	45,000
Other Expenses	51,315	429	51,744
Walworth Road development costs	132,647	–	132,647
Profit on Sale of Fixed Assets	(4,688,007)	–	(4,688,007)
Depreciation	13,807	–	13,807
Governance costs	12,257	–	12,257
	<u>(3,071,576)</u>	<u>25,164</u>	<u>(3,046,412)</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Grants Payable	–	4,713	4,713
Conferences and Training	172,053	–	172,053
Cornhill Training Course	248,779	–	248,779
PT Media	2,988	–	2,988
International Director	30,000	–	30,000
Other Expenses	378,798	5,280	384,078
Walworth Road development costs	–	–	–
Profit on Sale of Fixed Assets	–	–	–
Depreciation	–	–	–
Governance costs	9,648	–	9,648
	<u>842,266</u>	<u>9,993</u>	<u>852,259</u>

Analysis of governance costs:

	Unrestricted Funds £	Restricted funds £	Total Funds 2022 £	Total Funds 2020 £
Trustees' expenses	623	–	623	48
Audit fees	9,840	–	9,840	7,200
Accountancy and taxation fees	1,794	–	1,794	2,400
	<u>12,257</u>	<u>–</u>	<u>12,257</u>	<u>9,648</u>

The Proclamation Trust

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Period from 1 January 2021 to 30 June 2022

11. Analysis of grants

	Unrestricted Funds	Restricted funds	Total Funds 2022	Total Funds 2020
	£	£	£	£
Grants to individuals	<u>4,964</u>	<u>—</u>	<u>4,964</u>	<u>4,713</u>

12. Net gains on investments

	Unrestricted Funds	Total Funds 2022	Unrestricted Funds	Total Funds 2020
	£	£	£	£
Gains/(losses) on investments	<u>—</u>	<u>—</u>	<u>83,500</u>	<u>83,500</u>

13. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	30 Jun 22	31 Dec 20
	£	£
Depreciation of tangible fixed assets	<u>13,807</u>	<u>—</u>

14. Auditors remuneration

	Period from 1 Jan 21 to 30 Jun 22	Year to 31 Dec 20
	£	£
Fees payable for the audit of the financial statements	<u>9,840</u>	<u>7,200</u>
Fees payable to the charity's auditor and its associates for other services: Other non-audit services	<u>1,800</u>	<u>2,400</u>

The Proclamation Trust

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Period from 1 January 2021 to 30 June 2022

15. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2022	2020
	£	£
Wages and salaries	575,500	344,895
Social security costs	50,364	31,265
Employer contributions to pension plans	64,659	48,433
	<u>690,523</u>	<u>424,593</u>

The average head count during the period was 13 (2020: 13).

No employee received employee benefits of more than £60,000 per annum during the period.

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity during the period was £265,220 (2020: £174,793).

16. Trustee remuneration and expenses

None of the trustees received any remuneration or benefits from the charitable company during the period (2020: £Nil).

During the period five trustees (2020: one) were reimbursed £623 (2020: £48) for travelling expenses incurred in connection with the operations of the charity.

17. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Total £
Cost			
At 1 January 2021	2,308,819	136,096	2,444,915
Additions	8,827,102	55,228	8,882,330
Disposals	(1,004,364)	(136,096)	(1,140,460)
At 30 June 2022	<u>10,131,557</u>	<u>55,228</u>	<u>10,186,785</u>
Depreciation			
At 1 January 2021	218,371	136,096	354,467
Charge for the period	–	13,807	13,807
Disposals	(218,371)	(136,096)	(354,467)
At 30 June 2022	<u>–</u>	<u>13,807</u>	<u>13,807</u>
Carrying amount			
At 30 June 2022	<u>10,131,557</u>	<u>41,421</u>	<u>10,172,978</u>
At 31 December 2020	<u>2,090,448</u>	<u>–</u>	<u>2,090,448</u>

The Proclamation Trust

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Period from 1 January 2021 to 30 June 2022

18. Investments

	Investment properties £
Cost or valuation	
At 1 January 2021	3,926,000
Additions	—
Disposals	(3,926,000)
At 30 June 2022	—
Impairment	
At 1 January 2021 and 30 June 2022	
Carrying amount	
At 30 June 2022	—
At 31 December 2020	3,926,000

All investments shown above are held at valuation.

Investment properties

Investment property comprised approximately 40% of the property Willcox House which was sold in the year. The fair value of the investment property had been arrived at based on the sale proceeds achieved subsequent to the previous period end. The original cost of the investment property was £836,104.

19. Debtors

	30 Jun 22 £	31 Dec 20 £
Prepayments and accrued income	68,143	15,901
Other debtors	24,986	359,568
	<u>93,129</u>	<u>375,469</u>

20. Creditors: Amounts falling due within one year

	30 Jun 22 £	31 Dec 20 £
Accruals and deferred income	128,856	25,019
Other creditors	35,504	33,950
	<u>164,360</u>	<u>58,969</u>

21. Deferred income

	30 Jun 22 £	31 Dec 20 £
At 1 Jan 21	6,753	64,908
Amount released to income	(6,753)	(64,908)
Amount deferred in period	5,545	6,753
At 30 Jun 22	<u>5,545</u>	<u>6,753</u>

The Proclamation Trust

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Period from 1 January 2021 to 30 June 2022

22. Analysis of charitable funds

Unrestricted funds

2022

	At 1 January 2021 £	Income £	Expenditure £	Transfers £	Gains on Investments £	At 30 June 2022 £
General	6,799,949	1,352,634	3,071,576	(5,634)	–	11,218,525
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

2020

	At 1 January 2020 £	Income £	Expenditure £	Transfers £	Gains on Investments £	At 31 December 2020 £
General	6,850,180	689,455	(842,266)	13,080	89,500	6,799,949
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Restricted funds

2022

	At 1 January 2021 £	Income £	Expenditure £	Transfers £	Gains on Investments £	At 30 June 2022 £
Cornhill Training Course - Bursary Equipped to Preach	19,663	–	(24,735)	5,072	–	–
Pray, Prepare, Preach	(562)	–	–	562	–	–
Donations	540	400	(429)	–	–	511
	<u>19,641</u>	<u>400</u>	<u>(25,164)</u>	<u>5,634</u>	<u>–</u>	<u>511</u>

The Proclamation Trust

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Period from 1 January 2021 to 30 June 2022

2020

	At 1 January 2020 £	Income £	Expenditure £	Transfers £	Gains on Investments £	At 31 December 2020 £
Cornhill Training Course - Bursary	37,456	—	(4,713)	(13,080)	—	19,663
Equipped to Preach	(562)	—	—	—	—	(562)
Pray, Prepare, Preach Donations	—	5,820	(5,280)	—	—	540
	<u>36,894</u>	<u>5,820</u>	<u>(9,993)</u>	<u>(13,080)</u>	<u>—</u>	<u>19,641</u>

Cornhill Training Course - Bursary

The Cornhill Training Bursary fund is to grant bursaries to students from home and overseas. Funds were transferred from general funds during the period to clear the deficit on this fund.

Equipped to Preach

The Equipped to Preach fund is to fund the cost of production of the videos, "Equipped to Preach". Funds were transferred from general funds during the period to clear the deficit on this fund.

Pray, Prepare, Preach

The aim of the "Pray, Prepare Preach" fund is to publish books in simple English for use overseas where English is not the first language of the speaker.

The Proclamation Trust

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Period from 1 January 2021 to 30 June 2022

23. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Tangible fixed assets	10,172,978	–	10,172,978
Investments	–	–	–
Current assets	1,045,547	511	1,046,058
Net assets	11,218,525	511	11,219,036

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Tangible fixed assets	2,090,448	–	2,090,448
Investments	3,926,000	–	3,926,000
Current assets	783,501	19,641	803,142
Net assets	6,799,949	19,641	6,819,590

The Proclamation Trust

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Period from 1 January 2021 to 30 June 2022

24. Pensions

Proclamation Trust participates in the Church of England Funded Pensions Scheme for stipendiary clergy, a defined benefit pension scheme. This scheme is administered by the Church of England Pensions Board, which holds the assets of the scheme separately from those of the Responsible Bodies.

Each participating Responsible Body in the Church of England Funded Pensions Scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. It is not possible to attribute the Scheme's assets and liabilities to each specific Responsible Body, and this means contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year (2022: £29,424, 2020: £19,521), plus the figures in relation to the Scheme's deficit highlighted in the table below as being recognised in the SoFA, giving a total charge of £22,424 for 2022 (2020: £13,521).

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out at as 31 December 2021. The 2021 valuation revealed a surplus of £560m, based on assets of £2,720m and a funding target of £2,160m, assessed using the following assumptions:

- An average discount rate of 2.7% p.a.;
- RPI inflation of 3.6% p.a. (and pension increases consistent with this);
- CPIH inflation in line with RPI less 0.8% pre 2030 moving to RPI with no adjustment from 2030 onwards;
- Increase in pensionable stipends in line with CPIH;
- Mortality in accordance with 90% of the S3NA tables, with allowance for improvements in mortality rates in line with the CMI2020 extended model with a long term annual rate of improvement of 1.5%, a smoothing parameter of 7, an initial addition to mortality improvements of 0.5% pa and an allowance for 2020 data of 0% (i.e. w2020 = 0%).

Following the 31 December 2018 valuation, a deficit recovery plan was put in place until 31 December 2022 and the deficit recovery contributions (as a percentage of pensionable stipends) were as set out in the table below. An interim reduction to deficit contributions to 3.2% of pensionable stipends was made with effect from 1 April 2022. Following finalisation of the 31 December 2021 valuation, deficit contributions ceased with effect from 1 January 2023, since the Scheme was in surplus.

As at 31 December 2020 and 31 December 2022 the deficit recovery contributions under the recovery plan in force were as set out in the table below. For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme's rules.

Note that these figures are not available as at 30 June 2022 and so have been presented as at 31 December 2021 and 31 December 2022.

% of pensionable stipends	January 2018 to December 2020	January 2021 to December 2022
Deficit repair contributions	11.9%	7.1%

The Proclamation Trust

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Period from 1 January 2021 to 30 June 2022

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. However, as there are no agreed deficit recovery payments from 1 January 2023 onwards, the balance sheet liability as at 30 June 2022 is nil. The movement in the balance sheet liability over 2021 and over 2022 is set out in the table below.

	2022	2021
Balance sheet liability at 1 January	4,000	7,000
Deficit contribution paid	(2,000)	(4,000)
Interest cost (recognised in SoFA)	-	-
Remaining change to the balance sheet liability* (recognised in SoFA)	(2,000)	1,000
Balance sheet liability at 31 December	-	4,000

* Comprises change in agreed deficit recovery plan, and change in discount rate and inflation assumptions between year-ends.

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions. No assumptions are needed for June 2022 as there are no agreed deficit recovery payments going forward. No price inflation assumption was needed for December 2020 since pensionable stipends for the remainder of the recovery plan were already known.

	December 2022	December 2021	December 2020
Discount rate	n/a	0.0% pa	0.2% pa
Price inflation	n/a	n/a	3.1% pa
Increase to total pensionable payroll	n/a	-1.5% pa	1.6% pa

The legal structure of the scheme is such that if another Responsible Body fails, Proclamation Trust could become responsible for paying a share of that failed Responsible Body's pension liabilities.

25. Analysis of changes in net debt

	At 1 January 2021 £	Cash flows £	At 30 June 2022 £
Cash at bank and in hand	486,642	630,647	1,117,289

The Proclamation Trust

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Period from 1 January 2021 to 30 June 2022

26. Capital commitments

Capital expenditure contracted for but not provided for in the financial statements is as follows:

	30 Jun 22	31 Dec 20
	£	£
Tangible fixed assets	11,700	—

27. Related parties

The trustees volunteer their time to assist at conferences and as a consequence pay no conference fees.

During the period £10,000 was donated from Pillar Investments without conditions, for which S Pillar (trustee) is Chair of trustees.

Mr S J Medcroft (trustee) is also a trustee of Danbury Mission Church. During the period £254 was paid to Danbury Mission Church for payment for travel expenses for lectures and an honorarium for teaching practise (2020: £Nil) £Nil was outstanding at the period end (2020: £Nil).