SPIRITUALISTS' NATIONAL UNION TRUST

England & Wales · Charity number 1182379

Details

Other names	SNU TRUST
Status	Registered
Legal form	Charitable company
Company number	11382378
Registered	2019-03-07
Register	View on the Charity Commission register

Contact

Address	Burton End Lodge Stansted Hall Stansted Essex CM24 8UD
Phone	01279814158
Email	lesley@snutrust.co.uk
Website	www.snutrust.co.uk

Activities

Objects: 2.1 THE CHARITYÆS OBJECTS ARE FOR THE PUBLIC BENEFIT TO PROMOTE THE ADVANCEMENT AND DIFFUSION OF SPIRITUALISM BY:2.1.1 MAKING ADVANCES TO MEMBERS (EXCLUDING ACCREDITED REPRESENTATIVES) AND MEMBER ORGANISATIONS FOR:2.1.1.1 THE PURCHASE OF LAND AND THE ERECTION OF BUILDINGS TO BE USED FOR PUBLIC WORSHIP IN ACCORDANCE WITH THE RELIGION OF SPIRITUALISM OR OTHERWISE FOR THE ADVANCEMENT OF SPIRITUALISM;2.1.1.2 OTHER CAPITAL EXPENDITURE WHICH IS DESIRABLE FOR THE PROPER FUNCTIONING OF THEIR RESPECTIVE PROPERTIES; AND2.1.1.3 OTHER EXPENDITURE ANCILLARY TO THE PURPOSES SET OUT IN ARTICLES 2.1.1.1 AND 2.1.1.2;2.1.2 MAKING GRANTS TO MEMBERS (EXCLUDING ACCREDITED REPRESENTATIVES) AND MEMBER ORGANISATIONS FOR PURPOSES SIMILAR TO THOSE IN ARTICLE 2.1.1;2.1.3 AFFORDING FACILITIES FOR THE INVESTMENT OF FUNDS BY ANY MEMBER (EXCLUDING ACCREDITED REPRESENTATIVES) OR MEMBER ORGANISATION; AND2.1.4 PURCHASING AND MAKING AVAILABLE, WHETHER BY WAY OF LEASE OR LICENCE OR OTHERWISE, LAND AND BUILDINGS TO BE USED FOR THE ADVANCEMENT OF SPIRITUALISM.

Downloaded from opencharities.uk/ew/1182379

Activities: The Trust provides financial support for churches affiliated/associated with the Spiritualists'National Union for the advancement of the religion of Spiritualism for public benefit. The Trust provides advances to its member churches to finance the building of new (or repair of existing) church buildings, which provides a facility for members of the public to worship the religion of Spiritual

Classification

- **How:** Provides Other Finance, Provides Buildings/facilities/open Space
- **What:** Religious Activities
- **Who:** Other Defined Groups

Geography

- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£568,819	£546,332	£4,997,080	3
2023-12-31	£527,242	£460,920	£3,965,522	3
2022-12-31	£481,388	£380,124	-	-
2021-12-31	£450,988	£355,767	-	-
2020-12-31	£411,055	£367,509	-	-

Trustees

Name	Role	Appointed
Desmond Peter Beaumont		2025-10-10
KENNETH SMITH		2018-05-25
Myrrha Marie Hibbert		2022-05-17
Pat Seymour		2023-10-15
Richard Joseph Cullen		2024-11-11
Timothy Coombe		2019-08-15

Downloaded from opencharities.uk/ew/1182379

SPIRITUALISTS' NATIONAL UNION TRUST

England & Wales - Charity number 1182379

Accounts

ANNUAL REPORT 2024

Report and Statement of Accounts

SPIRITUALISTS NATIONAL UNION TRUST

Investing in Spiritualist Churches since 1926

www.snutrust.co.uk

SNU TRUST
1926

VIS

To create a sustainab
for SNU Spiritualist Chu
in their pursuit of comm
the promotion of Spiritualis
can become members, f
for their fina

MISS

To provide our mem
and practical suppo
maintain their comm
the advancemen
SNU Spir

VALUES

The Seven Principles are fundamental to the values of the SNU Trust and form the basis of the ethical leadership and culture within the charity.

VALUES

The interest of the members and the work they undertake within the community are at the heart of what the SNU Trust does.

ION

ble and safe platform
rches to thrive and grow
nunity engagement and
sm, where all SNU churches
finding help and support
ancial needs.

SION

mbers with financial
rt to enable them to
nitment to promoting
t and diffusion of
ritualism.

VALUES

The SNU Trust operates with a culture of openness, transparency, and respect, subject to complying with legal and regulatory requirements.

VALUES

The SNU Trust, and those who work and volunteer in and with the Trust, uphold the highest level of institutional integrity and personal conduct at all times.

A MESSAGE FROM OUR CHAIRMAN

Dear Member

I am pleased to present the SNU Trust's 2024 Annual Report, which reflects the progress the charity continues to make towards achieving our mission to provide our members with financial and practical support to enable them to promote our religion within their communities.

It is a testament to the hard work and commitment of the Board, staff and members that we have had the most successful year in terms of income in our history as a charity. This success has allowed us, for the first time, to pay more than a quarter of a million pounds back to our members. This is money going directly back to members to allow them to plan more confidently for the future.

Our thanks need to go to our existing members, as without their support, the work undertaken by the Trust would not be possible. Our vision is to encourage all SNU Spiritualist churches to join the Trust and it is hoped that as non-members see the Trust continuing to thrive, they will be encouraged to invest with us.

Of course, the Trust provides more than just financial support to members. Every day the staff offer support, advice and practical help to all SNU churches, irrespective of whether they are members. I would encourage all churches to use the expertise our staff bring to the organisation.

Our Trustees play a vital role in guiding the charity and I would like to thank them for their time and dedication. During the year Jane Barton stepped down from the Board and I would like to thank Jane for her role in modernising the charity's approach to governance. The Board has welcomed Richard Cullen whose knowledge of IT has already proved invaluable.

I hope you find the report useful and informative, and I look forward to welcoming you to our Annual General Meeting in September.

TIM COOMBE | CHAIRMAN

SNU TRUST
ANNUAL REPORT

& FINANCIAL STATEMENTS FOR THE PERIOD ENDING 31 DECEMBER 2024

Registered in England and Wales No. 11382378
Charity No 1182379 (England & Wales)
Charity No SC049738 (Scotland)

OUR AIMS & OBJECTIVES

Everything the SNU Trust does is governed by our charitable objects which set out the main purpose of the charity and what we aim to achieve.

We promote the advancement of SNU Spiritualism by providing financial support to SNU affiliated churches in three ways:

Offering accounts that pay competitive rates of interest

Give loans for new buildings or repair of existing ones

Award grants to help churches in need

The charity is aware that social and economic circumstances have changed considerably since the Trust was originally formed and not all churches are able to afford the costs involved in owning and maintaining their own premises.

The Trust therefore ensured that its objects allowed the organisation to purchase and make available properties by way of lease, this is an area that the board are keen to pursue in the coming years.

OUR STRATEGY

Following on from feedback from members and non-members at the charity's Annual General Meeting in September 2024, the Board agreed that a lack of awareness of the Trust and its work needs to be addressed in order to fulfil its vision for the future.

It is hoped that any SNU church, member, or non-member, finds that the SNU Trust provides fair, impartial, and straightforward advice should it be requested from the charity. Members who offered first-hand experience of dealing with the Trust confirmed that they were very happy with the help and support provided. It is therefore apparent that the first step needs to be to increase the understanding and awareness of the Trust.

HOW DO WE MAKE THIS HAPPEN?

The SNU Trust Board understand that to achieve the vision outlined above, more resource is needed in terms of time to devote to the strategy, and during 2024 it has become apparent that time is the limiting factor in enabling the charity to implement actions to help execute its plan. In order to address the issue, the Board and staff are looking at ways to better allocate resources to provide the opportunity to devote time to grow the charity. Measures have already been put in place and the impact of them will be reviewed at the end of 2025.

2024 FINANCIAL REVIEW

The SNU Trust does not receive donations to fund its objects but instead has built a portfolio which provides income in the form of dividends paid on a portfolio of stocks and shares managed by Quilter Cheviot, rental income from properties, and management charges to the Spiritualists' National Union for accounting services.

For a number of years the charity has been working to ensure that the return received on assets held by the charity is maximised where appropriate. During the accounting period, that focus has continued and whilst increased interest rates has contributed to the increase in investment income, more targeted and responsive actions have contributed to the improved income streams for the charity.

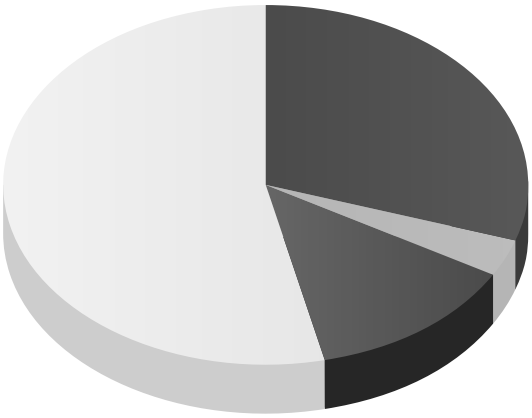
Whilst one of the primary objects of the SNU Trust is to give loans to member churches, the income the charity receives from interest on those loans makes up only 3.17% of the charity's total income (2023 3.6%). The amount of loans outstanding in 2024 has reduced from £636,089 to £609,623, as churches make repayments.

Each year, the interest paid out to members forms the largest cost for the SNU Trust and in 2024, the focus on maximising returns has allowed the Trust to increase the credit interest rates across all savings products to remain very competitive with rates offered by high street banks.

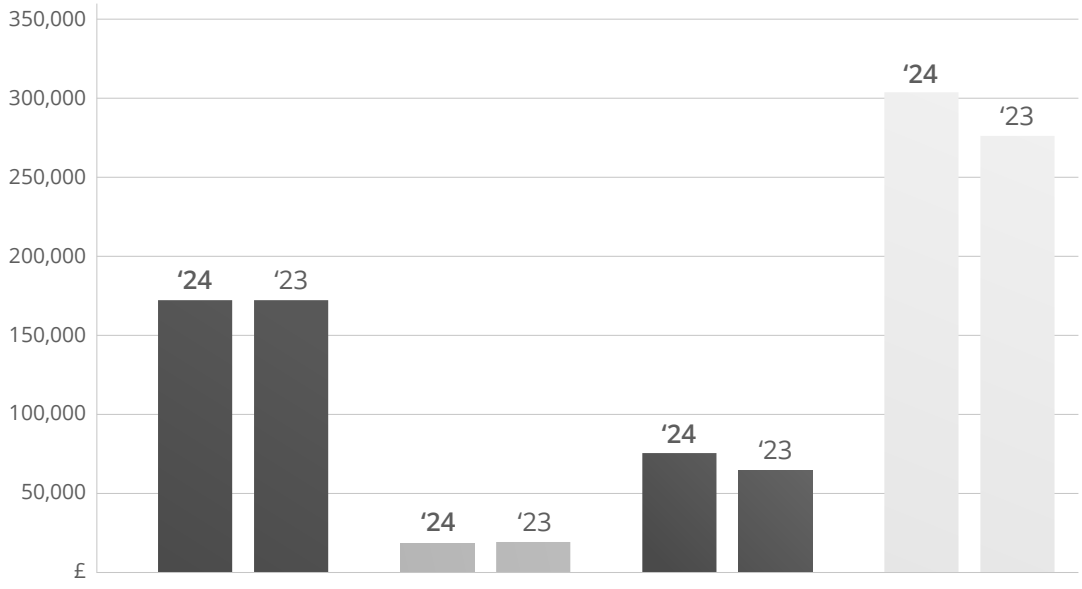
The charity has, for the first time, paid out over a quarter of a million pounds to its members in interest. A total of £253,047 was paid during the accounting period (2023: £161,156).

WHERE OUR INCOME CAME FROM IN 2024

Rental income	30.24%
Interest on Advances	3.17%
Management Charges to SNU	13.04%
Investment Income	53.55%



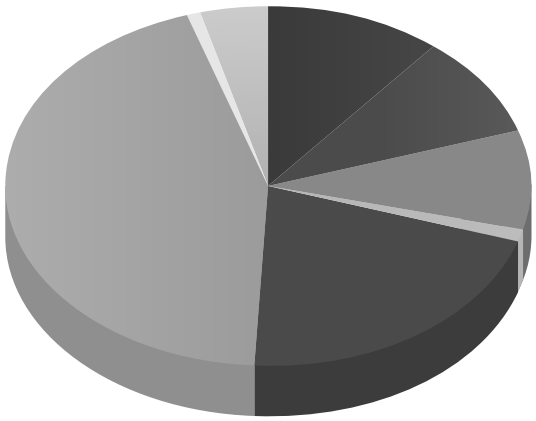
2024 INCOME STREAMS COMPARED TO 2023



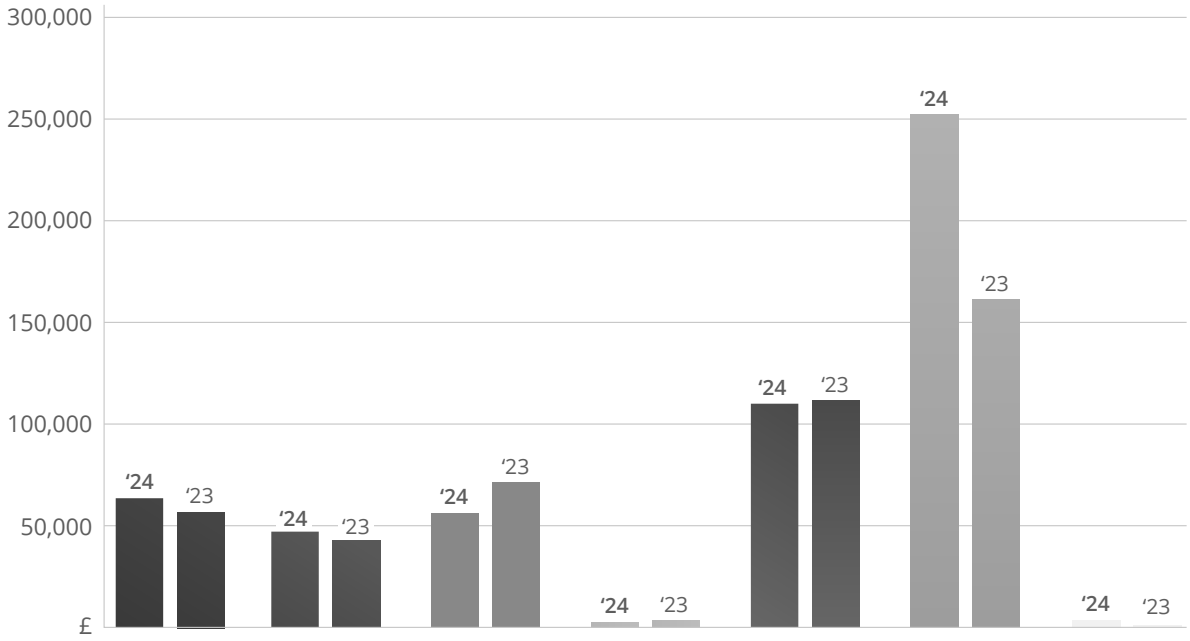
	Rental income	Interest on Advances	Management Charges to SNU	Investment Income	TOTAL
2024	£172,027	£18,028	£74,180	£304,584	**£568,819**
2023	£166,864	£19,165	£64,928	£276,285	£527,242

WHAT WE SPENT IN 2024

Raising Funds	11%
Governance	9%
Other Support Costs	9%
Depreciation	1%
Staff Costs and training	22%
Interest to investors	46%
Grants to members	1%



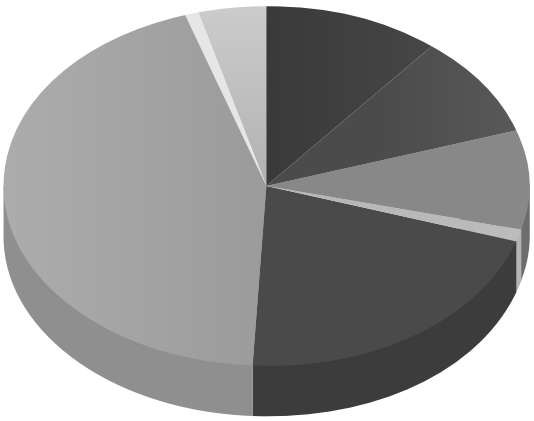
2024 EXPENDITURE COMPARED TO 2023



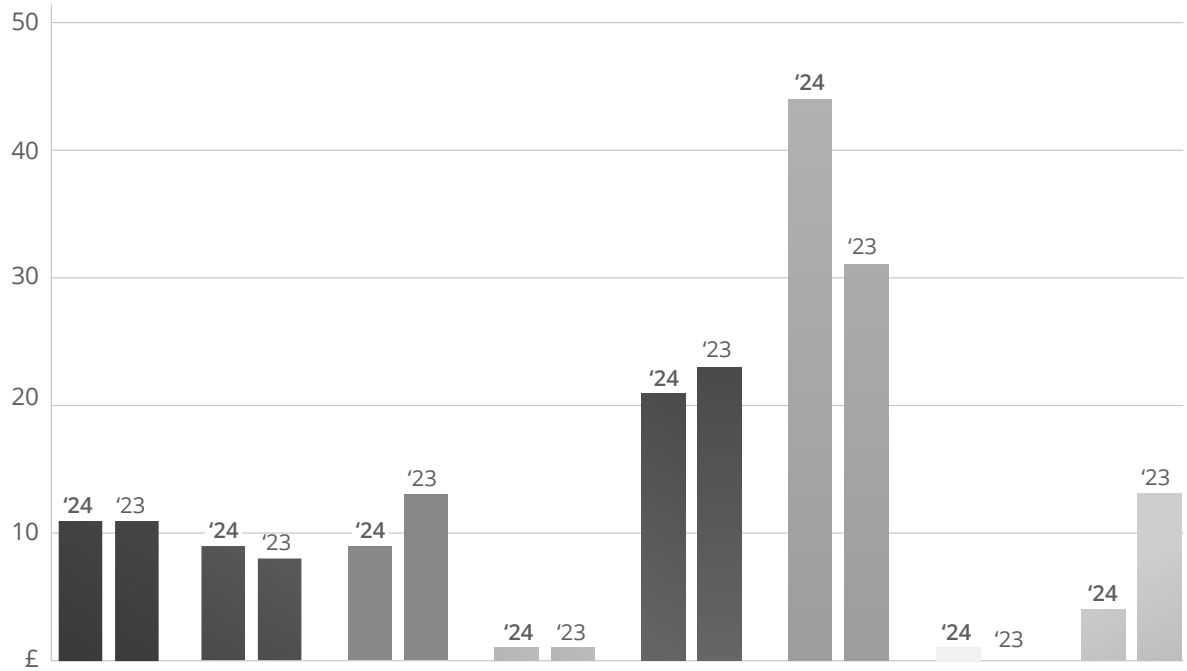
	Raising Funds	Governance	Other Support Costs	Depreciation	Staff Costs & training	Interest to investors	Grants to members
2024	£61,347	£49,493	£50,653	£5,534	£119,952	£253,047	£6,306
2023	£56,524	£42,495	£77,709	£5,906	£115,402	£161,156	£1,728

HOW EACH POUND OF INCOME WAS SPENT IN 2024

Raising Funds	10.8%
Governance	8.7%
Other Support Costs	8.9%
Depreciation	1%
Staff Costs and training	21.1%
Interest to investors	44.5%
Grants to members	1.1%
Surplus	4%



HOW EACH POUND WAS SPENT COMPARED TO 2023



	Raising Funds	Governance	Other Support	Depreciation	Staff Costs & training	Interest to investors	Grants to members	Surplus
2024	11p	9p	9p	1p	21p	44p	1p	4p
2023	11p	8p	13p	1p	23p	31p	0	13p

ASSETS OF THE SNU TRUST

The total assets of the SNU Trust are £13,739,635 (2023:13,091,251), are unrestricted in their nature, and are held in various ways to ensure that the charity limits its exposure to financial risk.

The assets include members' deposits and of those assets, £8,706,700 (2023:£9,125,729) relates to church deposits and sundry creditors leaving £4,997,080 (2023:£3,965,522) in SNU Trust reserves.

The approach of the Board has always been to ensure that all funds are invested in multiple ways to ensure that, if necessary, the Trust's assets could be liquidated to ensure that members are fully repaid. To that end the assets of the charity are spread across the following areas:

- **Cash held in multiple accounts** that are FSCS licenced to cover the charity's liquidity needs.
- **Investment stock portfolio** – this is closely managed to ensure that the Trust is not exposed to any one particular market area.
- **Investment properties** – The SNU Trust owns three buildings in the south which are all rented to Choice UK who provide assisted living for vulnerable adults. All properties are subject to long term leases giving the charity a secure and reliable income stream.
- **Burton End Lodge** which is used as the charity's head office.
- **Palmerston Place** – the building in Edinburgh is home to both the Edinburgh Association of Spiritualists and Palmerston Trust, a completely separate charity whose objectives are to promote the furtherance of SNU Spiritualism in Scotland.

ASSETS	**2024**	2023
Investment Property	£2,085,000	£2,085,000
Property for Charitable purposes	£1,610,000	£1,015,982
Loans to Members	£609,623	£636,089
Cash	£976,648	£1,624,761
Fixed Assets	£189,231	£195,171
Sundry Debtors	£34,527	£35,310
Investments	£8,234,606	£7,498,938
	£13,739,635	**£13,091,251**

INVESTMENT STRATEGY, OBJECTIVES & TARGET

The SNU Trust has a detailed investment policy that set out clear objectives and the parameters as to how we manage our reserves.

The general principles are:

TO PRODUCE THE BEST FINANCIAL RETURN WITHIN AN ACCEPTABLE LEVEL OF RISK

TO GROW THE CAPITAL OF THE PORTFOLIO OVER THE LONG TERM AS WELL AS GENERATING INCOME

TO GENERATE A RETURN OF INFLATION PLUS 3.5% PA OVER THE LONG TERM, AFTER EXPENSES

TO ADOPT AN EXCLUSIONARY POLICY IN RESPECT OF INVESTMENTS IN ARMAMENTS

TO BE MINDFUL OF BEING A RESPONSIBLE INVESTOR

OVER THE LAST FINANCIAL YEAR

Inflation continues to fall from the high levels seen in 2022 helping ease the burden a little for members, although uncertainty remains for the coming year due to global political tensions.

As anticipated, the Bank of England base rate dropped during the second half of 2024 from 5.25% to 4.75% and it is possible that rates will fall to around 4% by the end of 2025.

The value of all portfolios at the end of the accounting period resulted in a net gain of £415,053 (2023: £359,346).

The investment income received during the accounting period increased by 1.5%, lower than the expected 3%, and the income in 2025 is expected to be in line with 2024.

Since the inception of the portfolio on 1 August 2016, Quilter Cheviot has achieved an overall (capital and income) return of 80.04% after expenses, against the stated annual target of CPI plus 3.5% which over the same period stands at 80.06%. This included the higher inflationary last few years whereby inflation was well ahead of the Bank of England target of 2%.

OVER THE LONGER TERM

Any investments with the Trust's brokers are viewed as a longer-term investment and that means that it is expected that there could be some moderate disruption to the capital value of any investments, although 2024 showed an increase in capital value at the year end.

Since 2017 the value of the portfolio has increased overall and importantly the income received totalling more than £1.7 million has enabled the charity to continue to support SNU churches.

MANAGEMENT OF THE PORTFOLIO

The SNU Trust continues to work closely with the charity's broker, Quilter Cheviot Investment Management, and during 2023 have met regularly with our account manager to assess and review the management and performance of the SNU Trust portfolio.

The charity receives quarterly valuation and performance reports in addition to information around how the Brokers are engaging with organisations to hold them to account on business decisions and strategy.

The cost of managing the portfolio by Quilters is calculated as a percentage of the value of the portfolio at the end of each month; Quilter Cheviot therefore have a vested interest in ensuring the maximum growth of the Trust's portfolio whilst ensuring that any investment adheres to the strict parameters laid out in the agreed Investment Policy.

Quilter Cheviot is instructed to manage the portfolio on a discretionary basis, and they are mindful of the objective of the portfolio at all times.

ASSET CLASSES 2024

To ensure that the risk is managed appropriately within the portfolio, we hold a diversified range of assets.

QUILTER CHEVIOT PORTFOLIOS

	2024	2023
UK Equities	£1,427,204	£1,518,214
UK Fixed Interest/bonds	£1,754,171	£976,369
Overseas fixed interest/bonds	£61,361	£61,583
Quilter Cheviot Investor Growth Fund	£853,986	£783,303
Overseas Equities	£3,406,195	£2,990,802
Alternative Investments	£658,768	£714,470
Cash	£72,921	£454,197
	£8,234,606	**£7,498,938**

RESPONSIBLE INVESTMENT

Although the only specific exclusion in the investment policy relates to armaments, the Trust is always mindful to pay close attention to its responsibilities as investors. The Board ensure that our fund managers take environmental, social and governance (ESG) issues into account when making decisions about the charity's portfolio. These considerations, including details on engagement undertaken by Quilter Cheviot, form part of the regular reviews. As a charity, we believe in active engagement rather than divesting ourselves of holdings, this allows us to be part of the force for positive change.

PROPERTY INVESTMENTS

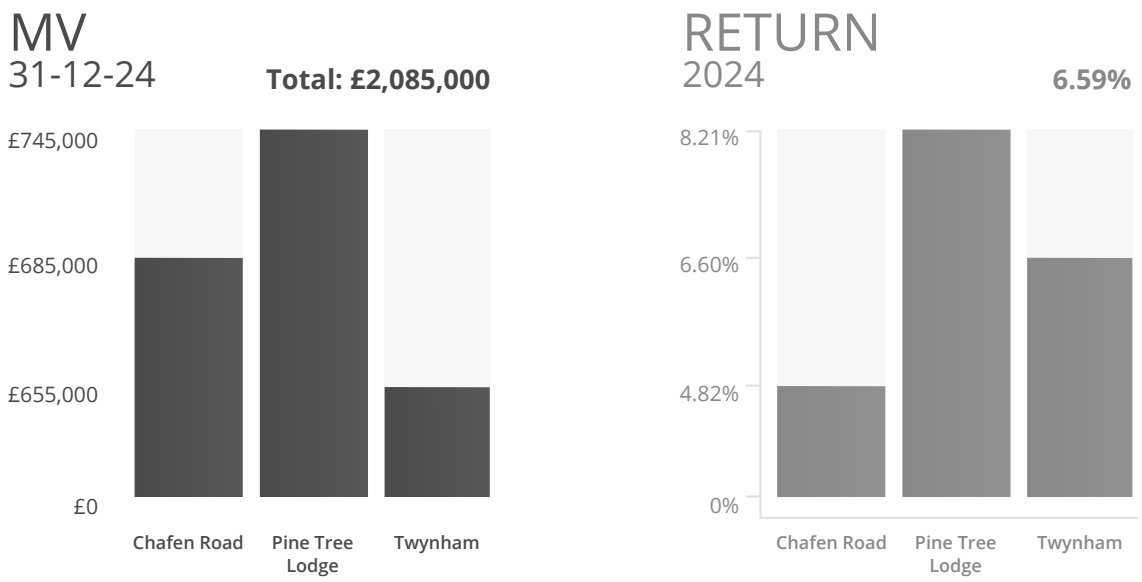
The SNU Trust own three properties in the south of England that are leased out on long term agreements to Choice UK who provide assisted living for adults with learning disabilities and other long-term needs. The Trust is not involved in the management or operation of the homes.

The leases on all the care homes are full repairing leases and as such, Choice UK are responsible for all repairs, maintenance, and insurance of the properties. The SNU Trust incur no costs during the year relating to these properties.

The Trust regularly appraises the market value of its investment properties to ensure an appropriate income return on investment and that the valuation of the investment properties accurately reflects their market value. In 2024, Paul Tarrant MRICS, of RES property Surveyors, reviewed the valuations of the buildings and the Trustee-Directors will continue to monitor the markets.

The lease relating to Pine Tree Lodge is due for renewal, heads of terms have been agreed with Choice UK, and a revised fifteen-year lease is due to be completed in early 2025. As part of the negotiation an increase in rent has been agreed.

The SNU Trust continued to receive rental income of £137,400 (2023 £135,150) from Choice UK which generates a return on Investment 6.59% (2023 6.48%).



PALMERSTON PLACE

The SNU Trust owns a property in Edinburgh which, for thirteen years, has been home to both Edinburgh Association of Spiritualists and Palmerston Trust, a charity based in Scotland whose objects are based around the Seven Principles. The property is held as a charitable investment and as such, the Board of the SNU Trust has scope to take into consideration the aims of the tenant when reviewing the investment as part of the Trust's wider portfolio.

The Trustee-Directors are mindful that whilst the rent charged to Palmerston Trust should be reflective of its core objects of the furtherance of spiritualism, it must be balanced against the need to ensure a return that would ultimately enable the charity to pass any financial benefit on to all members.

Both Palmerston Trust and Edinburgh Association are in in the final year of five-year agreements which incorporate annual rental uplifts which will result in a return on investment of 3.75% in 2025.

At the Board meeting in November 2024, the Trustee-Directors considered the future of the building and agreed that they wished to continue to achieve a return of 3.75% in accordance with the stated policy approach set in 2019.

When the current leases were negotiated with the tenants, the Board of the Trust gave an undertaking that talks relating to the renewal of both leases would commence with one year remaining on the lease. Both tenants were contacted in November 2024 and discussions are ongoing with all parties.

CHURCH DEPOSITS

All churches are finding the current economic climate challenging, especially relating to energy costs.

There has been a net decrease in member deposits of around 4.3% (2023: +4.4%) for the accounting period, this is primarily due to the grants paid out by the Spiritualists' National Union during 2024 from the SNU Suspense Account.

The Trust continues to provide support and advice for member and non-members, and through this interaction the SNU Trust has gained new investment from existing members, as well as new members. The Board would like to extend its thanks to those churches for their continued support.

In 2024, a 1-6-1 account was made available to those members fortunate enough to be able to invest a further £1,000 with the Trust for one year. It was pleasing to see that 43 churches took advantage of the generous rate of 6%.

Again, the Trust offered a 5-5-1 account, inviting members to invest £500 for one year at a rate of 5% and two churches took up the offer. The Board will continue to offer products that allow as many members as possible to benefit from the rates available.

Products and interest rates offered to churches are reviewed at each Trustee-Director meeting to ensure that the charity continues to encourage existing and new members to further invest with the Trust. The SNU Trust is aware of the importance of the income provided to churches by way of interest on any savings held and the Board is always mindful to hold up rates on credit balances whilst holding rates down on loans whenever possible to support members to the best of their ability.

LOANS TO CHURCHES

In recent years, the SNU Trust has had minimal applications for loans from members who have been, understandably, reluctant to enter into any long-term financial commitments.

During 2024 the SNU Trust received no applications for loans, (2023:1).

It is important that churches taking out loans are able to comfortably afford the repayments over the full term and we work closely with any church to ensure that they are able to repay without difficulty. The SNU Trust takes care to not put any church committee or its members under financial pressure.

Any application must ensure that the church can demonstrate an ability to meet any repayments based on normal church activities. Whilst we understand that plans may include additional events that would generate income, it would be difficult to sustain this over the full term of any loan.

As any loan must be secured, the member will need to notify the SNU of any plans and we would encourage the member to contact them at the outset. A crucial part of any project is to ensure that there is complete understanding of the total financial commitment of any work and the Union are able to assist in obtaining the appropriate surveys, quotes and other costings. Once any loan is agreed and the charge is in place, the Trust is unable to lend any further funds without going through the application process again.

There are no penalties for over payments or early repayment, and we encourage churches to clear their loans as soon as possible without putting themselves under financial pressure.

TRUSTEES MEMORIAL FUND

The Trustees Memorial Fund (formally the Ray Taylor Memorial Fund) is there to help member churches who are facing financial hardship.

Grants are awarded to member churches where a need is identified for financial assistance with essential items and applications are invited though the charity's website. However, if the charity becomes aware of a member who could benefit from the Fund then this will be considered by the Board.

During 2024 the Board awarded three grants totalling £6,306 (2023: £1,728).

RESERVES POLICY

The reserves policy of any organisation is traditionally based around building sufficient reserves to allow it to cover its known liabilities, absorb setbacks and move forwards.

The SNU Trust is in an unusual position in that its accounts reflect a negative working capital position, that is to say should its members all wish to withdraw their funds at the same time, then the charity would need to sell some of its longer-term investments to meet its commitment.

During 2024 the Board moved forward with its new policy of ensuring that decisions should centre around what is best for the members whilst ensuring the long-term future of the charity, continuing its approach that what makes the Trust charitable is what is spent, not what is saved.

The SNU Trust has agreed that the charity's desired level of unrestricted reserves should be sufficient to enable the charity to continue its day-to-day activities, using its reserves where necessary to support the needs of its members whilst building a contingency to safeguard the future of the SNU Trust. It is anticipated that the funds will be utilised during each accounting period, with the exception of the Contingency Fund, and that the level of each fund will be reviewed on an annual basis.

At the year end the level of unrestricted funds was £4,997,080 (2023: £3,965,522) of which £1,806,454 (2023 £1,212,436) was designated for a specific purpose as per note 18. The Trustees wish to maintain unrestricted funds of at least £250,000 to cover overhead costs. This has been achieved during the year and there is a remaining contingency fund of £2,940,626 after designations.

The Trustee-Directors have agreed that the current reserve should be divided into smaller funds targeting specific areas of activity of the charity. This will give comfort that in the event of unforeseen circumstances the SNU Trust has made provision to ensure the continuation of the SNU Trust in supporting Spiritualism.

The policy will be kept under review to ensure that it continues to be appropriate.

GENERAL UNRESTRICTED FUND – CONTINGENCY

This fund is held to support the long-term future of the SNU Trust.

DESIGNATED FUND – CHARITY OVERHEADS

The General Fund will cover working capital for the SNU Trust for a 12-month period, currently £250,000 and representing 7.2% (2023:8.3%) of the total Unrestricted Reserves and is reviewed annually at the December meeting of the SNU Trust to ensure that the level of the fund is set at an appropriate level.

DESIGNATED FUND – MEMBERS DISBURSEMENTS

A designated fund should be set aside to cover for disbursements to members by way of credit interest and other payments during the course of the year.

DESIGNATED FUND –PROPERTY COSTS

This designated fund makes allowance for the costs relating to properties owned by the SNU Trust for both investment purposes and as programme related investments.

DESIGNATED FUND - TRUSTEES MEMORIAL FUND (FORMERLY THE RAY TAYLOR MEMORIAL FUND)

The Trustees Memorial Fund was established in memory of all Trustees who have served the charity over many year and its purpose it to assist member churches facing financial hardship.

During 2024 the Board agreed to increase the available resource within the fund to £10,000.

PRINCIPLE RISKS

The SNU Trust assess all risks the charity may encounter at each meeting identifying the following as key risks.

RECRUITMENT OF NEW TRUSTEE-DIRECTORS

The identification and recruitment of new Trustee-Directors continues to be an urgent priority for the SNU Trust during 2025. There are currently five Trustee-Directors, however a maximum of eight can be appointed to the Board.

CONFLICT OF INTEREST

The Trust operates a register of interests for all Trustee-Directors and the Trust has developed and published a detailed policy on managing potential conflicts of interest and loyalty, a copy of which is published on our website and is available to download. This policy outlines the responsibility of Trustee-Directors when considering any potential conflict which may affect their ability to make a decision as part of their duty as Trustee-Director. At each meeting of Trustee-Directors, a complete record of current declarations is circulated to the attendees and Trustee-Directors are asked to declare any changes in their register of interests and loyalty; the register includes details of membership of SNU Committees, Churches, allied Trusts and any contractual involvement that Trustee-Directors might have with members of the Trust.

A Trustee-Director will withdraw from any discussion or decision-making in respect of any matter in which a conflict of interest may arise.

DISASTER RECOVERY PLAN

The SNU Trust has a comprehensive disaster recovery plan which is a documented, structured set of instructions to allow the Trust to respond to unplanned incidents and have the ability to continue to operate or quickly resume critical functions. The plan is accessible to all staff and Trustee-Directors and is constantly under review.

DATA SECURITY

The Trustee-Directors have taken steps to ensure that the integrity of the data and documents held by the Trust will not be compromised. Computer data is securely backed up both on and off site and its reliability is tested as part of the Trust's Disaster Recovery Plan. Important documents are kept in a fireproof safe.

PRINCIPLE RISKS continued

FRAUD PREVENTION

The SNU Trust has adopted the Internal Financial Controls for Charities Guidance (CC8) provided by the Charity Commission to ensure that essential checks and procedures are completed to ensure that the Trust meets their legal duties to safeguard the charity's assets.

Additional measures have been implemented designed to ensure that members funds are only used for their intended purposes; the signatory mandates have been reviewed and updated to include changes which will give further protection.

TRUSTEE-DIRECTORS

The SNU Trust, like all voluntary bodies, continues to find it increasingly difficult to identify new Trustee-Directors to welcome on to the Board.

The Trustee-Directors are mindful that this is something that has been a cause for concern for a number of years and it is a matter that is discussed at each meeting of the Board as this is a key risk which must be addressed.

The current Trustee-Directors are aware that in order to safeguard the future of the charity, it is important to encourage more people to get involved to ensure a continuous approach to growing the charity to support SNU churches in the future.

Whilst the SNU Trust is primarily focused on finance, there are other areas of qualification or experience required of Trustee-Directors which would be beneficial to the charity including legal, property or governance sectors. However, the Board recognises the value of any volunteer who would like to support the SNU and its affiliated churches and would be happy to lend time and experience to the organisation.

Trustee-Directors are elected by SNU Trust member churches for a period of two years, with half retiring in alternate years. The retiring Trustee-Directors can be re-nominated and serve for a maximum of eight consecutive years, unless the Trustee-Directors consider it would be in the best interests of the charity to continue to serve beyond that point, and that the Trustee-Director is appointed in accordance with the Articles.

THE ROLE OF THE BOARD OF TRUSTEES

At its simplest, the role of the trustee board is to monitor the assets of the charity, safeguard them and apply them to the charitable purposes of the SNU Trust. The trustee board must always act in the best interests of the SNU Trust, exercising the same standard of duty of care that a prudent person would apply if looking after the affairs of someone for whom they have responsibility. The trustee board must act as a group and not as individuals.

DUTIES OF A TRUSTEE BOARD MEMBER

The duties of a trustee board member are to:

- ensure that the SNU Trust complies with its governing document (its Articles of Association), charity law, company law and any other relevant legislation or regulations
- ensure that the SNU Trust pursues its objects as defined in its governing document
- ensure the SNU Trust applies its resources exclusively in pursuance of its objects. For example, it must not spend money on activities which are not included in the objects, however worthwhile they may be
- contribute actively to the board of trustees by giving firm strategic direction to the SNU Trust, setting overall policy, defining goals, setting targets, and evaluating performance against agreed targets
- safeguard the good name and values of the SNU Trust
- ensure the financial stability of the SNU Trust.

In addition to the above statutory duties, each trustee should use any specific skills, knowledge or experience they have to help the board of trustees reach sound decisions. This may involve leading discussions, identifying key issues, providing advice and guidance on new initiatives, and evaluating or offering advice on other areas in which the trustee has particular expertise.

MINIMUM TIME COMMITMENT

Trustees are expected to attend all board meetings. Board meetings are held four times a year at dates agreed by all Trustees, usually in an evening by remote conferencing. Accommodation is provided should this be required due to the trustee's location or circumstances. A December meeting each year is allotted to strategic planning and is an on-site meeting when possible.

Meetings last approximately five hours on site, and remote conferencing last approximately two hours..

- Papers are distributed one week in advance of meetings.
- Trustees are expected to attend the annual general meeting (AGM) of the SNU Trust, which takes place on the weekend of the SNU AGM each year.
- Trustees can claim out of pocket expenses incurred in travelling to meetings.

PERSON SPECIFICATION

Each trustee must have:

- a commitment to the mission of the SNU Trust
- a willingness to meet the minimum time requirement
- integrity
- strategic vision
- good, independent judgement
- an ability to think creatively
- a willingness to speak their mind
- an understanding and acceptance of the legal duties, responsibilities, and liabilities of trusteeship
- an ability to work effectively as a member of a team and to take decisions for the good of the SNU Trust.

INDUCTION OF TRUSTEES

Before joining the Board of the charity, new Trustees are asked to sign up to the SNU Trust Code of Conduct, a copy of which is available via the SNU Trust website.

Trustees are provided with a copy of the charity's governing document and a copy of the latest published accounts and annual report.

Trustees are given information and support prior to meetings to ensure that they are fully supported, enabling them to have the confidence to participate in any decision-making discussions with confidence.

Churches have been asked to consider if anyone of their members would be interested in becoming a Trustee-Director, or if they would like to gain a better understanding of what would be required in the role, they are encouraged to contact the SNU Trust Head Office and speak to Lesley Gilbey.

Alternatively, Tim Coombe, the Chair of the SNU Trust can be contacted directly. *(Details are available at the back of this brochure.)*

GOVERNANCE AND MANAGEMENT OF THE CHARITY

The Trustees of the SNU Trust oversee the governance of the charity and delegate the day-to-day management of the charity to the Finance Manager, Lesley Gilbey. The staff work as a team to deliver support and service to all SNU affiliated churches, whilst also providing financial support to the Spiritualists' National Union.

Decisions regarding financial matters as well as planning for the future of the charity are discussed by the Board and the actions required to enact those decisions are passed to the Finance Manger to take forwards.

PUBLIC BENEFIT STATEMENT

The Trust has regard to the Charity Commission guidance on public benefit and how SNU churches exist to promote the seven principles of Spiritualism which encourages its followers to become socially responsible within the wider community. The Trust, by financially supporting SNU Spiritualist churches, encourages a religious practice that leads to promoting spiritual welfare and improvement of society.

REMUNERATION POLICY

The Trust aims to maintain remuneration at levels that enable the charity to recruit and retain employees of suitable calibre and motivate them to achieve their set objectives.

Remuneration of all staff is reviewed annually in December when the Board reviews the remuneration of all staff as advised by the Trustee-Director with responsibility for Human Resources and makes decisions on adjustments required. Any changes made take into account market movements applying to the role within the sector and all decisions are subject to overall budget approval by the board for the year in question.

FUNDRAISING COMPLIANCE

The Charity understands its duty to protect the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate.

The SNU Trust does not raise any funds from the general public and can confirm that no internal resources are used for this purpose. In addition, the charity does not commission a professional fund-raiser/commercial participator for fundraising.

The charity is not subject to an undertaking to be bound by any voluntary scheme for regulating fund-raising, or voluntary standard for fund-raising in respect of activities on behalf of the charity.

The SNU Trust has adopted principals of GDPR legislation and also has policies to protect the data of members of the public.

The Board confirms that no complaints were received during the year about activities for the purpose of fund-raising.

CUSTODIAN TRUSTEE-DIRECTOR

The purpose of Higginson Securities Limited is to hold the legal charges in favour of the charity relating to members' secured loans owed to the SNU Trust. Going forwards, any legal charges acquired after May 2019 will be held by the SNU Trust and when all historic charges are released, Higginson Securities Limited will be wound up.

All title deeds relating to properties owned by the Trust are held by the SNU Trust.

GOVERNING DOCUMENTS

The SNU Trust is governed by Articles of Association, a copy of which can be obtained by contacting our office. The SNU Trust is registered at the Charity Commission (reg no 1182379), The Office of the Scottish Charity Regulator (reg no SCO49738) and with Company House (reg no 11382378).

The members of the Committee of Management during the year ended 31 December 2024 and to the date of this report were: -

T Coombe (Chairman)

K Smith

Minister P Seymour

J Barton

Minister M Hibbert

R Cullen

TRUSTEE-DIRECTORS' RESPONSIBILITIES

In preparing the Trustee-Directors' 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 directors to prepare financial statements for each financial year.

Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the directors 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 and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the directors are required to:

1. select suitable accounting policies and then apply them consistently;
2. observe the methods and principles in the Charities SORP FRS102;
3. make judgments and accounting estimates that are reasonable and prudent;
4. state whether applicable UK Accounting Standards have been followed, subject to any material departure disclosed and explained in the financial statements;
5. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable companywill continue in operation.

The Trustee-Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee-Director Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustee-Directors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and...
- the Trustee-Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustee-Directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

BY ORDER OF THE COMMITTEE
TIM COOMBE, CHAIR

Date: 03 Apr 2025

Principal address:
Burton End Lodge
Stansted Hall
Stansted
Essex
CM24 8UD

BOARD OF TRUSTEES SERVING DURING 2024

CHAIRMAN MR TIM COOMBE

TRUSTEE/DIRECTORS

MR KENNETH SMITH

MINISTER MYRRHA HIBBERT

MINISTER PAT SEYMOUR

MRS JANE BARTON *(to 18.10.24)*

MR RICHARD CULLEN *(from 11.11.24)*

OUR STAFF

RESPONSIBLE FOR THE DAY-TO-DAY RUNNING OF THE CHARITY.

FINANCE MANAGER	LESLEY GILBEY
FINANCE ASSISTANT	JULIE ROGERS
FINANCE ADMINISTRATOR	NADINE YOUNG

AUDITORS

PRICE BAILEY LLP

TENNYSON HOUSE,

CAMBRIDGE BUSINESS PARK,

CAMBRIDGE

CB4 0WZ

BANKERS

NATWEST BANK PLC

7 NORTH STREET,
BISHOP'S STORTFORD,
HERTS
CM23 2TJ

CAMBRIDGE & COUNTIES BANK

CHARNWOOD COURT
5B NEW WALK
LEICESTER
LE1 6TE

ALDERMORE BANK

THE BROADGATE TOWER
20 PRIMROSE STREET
LONDON
EC2A 2EW

CLOSE BROTHERS GROUP

10 CROWN PLACE
LONDON
EC2A 4FT

SOLICITORS

BIRKETTS LLP

PROVIDENCE HOUSE
141 - 145 PRINCES STREET
IPSWICH
IP1 1QJ

STOCKBROKERS

QUILTER CHEVIOT

85 QUEEN VICTORIA STREET,
LONDON
EC4V 4AB

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES & MEMBERS OF SPIRITUALISTS' NATIONAL UNION TRUST

OPINION

We have audited the financial statements of Spiritualists' National Union Trust (the 'charitable company') for the year ended 31 December 2024 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 December 2024, 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 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 responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company'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 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.

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 the audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared 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 charitable company 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 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- adequate and proper 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 directors' report and from the requirement to prepare a strategic report.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company 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 charitable company'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 responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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:

We gained an understanding of the legal and regulatory framework applicable to the charity and how it operates and considered the risk of the charity not complying with the applicable laws and regulations including fraud in particular those that could have a material impact on the financial statements. This included those regulations directly related to the financial statements. In relation to the charity this included employment law, financial reporting and health & safety.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified.

These included the following:

- Management override: We reviewed systems and procedures to identify potential areas of management override risk. In particular, we agreed the financial statements to the underlying trial balance and carried out testing of journal entries and other adjustments for appropriateness.
- We reviewed minutes of Trustee meetings agreeing the financial statement disclosures to underlying supporting documentation.
- We reviewed whether there has been any correspondence with the Charity Commission and made enquiries of management and officers of the charity regarding non-compliance with laws and regulations applicable to the organisation. We have also reviewed the procedures in place for the reporting of any incidents to the Trustee Board including serious incident reporting of these matters if necessary with the Charity Commission in England and Wales and in Scotland (OSCR).

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.

A further description of our responsibilities is available on the FRC's website at: https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-thefi/description-of-the-auditor%E2%80%99s-responsibilities-for. 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, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees 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, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Suzanne Goldsmith (Senior Statutory Auditor)
for and on behalf of
PRICE BAILEY LLP

Chartered Accountants
Statutory Auditors
Tennyson House
Cambridge Business Park
Cambridge
CB4 0WZ

Date: 7 April 2025

Price Bailey LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
For the year ended 31 December 2024

INCOME:	Notes	Total funds 2024 £	Total funds 2023 £
CHARITABLE ACTIVITIES:			
Interest on advances	2	18,028	19,165
Income from other trading activities:			
Management charges to SNU		74,180	64,928
INVESTMENTS:			
Income from investments	3	304,584	276,285
Rental income from investment properties		172,027	166,864
TOTAL INCOME		**568,819**	**527,242**
EXPENDITURE:			
Raising funds	4	61,347	56,524
Charitable activities:	5	484,985	404,396
TOTAL EXPENDITURE		**546,332**	**460,920**
Net income for the year before investment gains		**22,487**	**66,322**
Net gains on investments		1,009,071	692,188
Net income for the year being net movement in funds		**1,031,558**	**758,510**
Reconciliation of funds:			
Total funds brought forward		3,965,522	3,207,012
TOTAL FUNDS CARRIED FORWARD		**4,997,080**	**3,965,522**

The statement of financial activities includes all gains and losses recognised in the year.All income and expenditure derive from continuing activities.The notes on pages 41 to 57 form part of these accounts.

BALANCE SHEET

As at 31 December 2024

	Notes	2024	2023
		£	£
Fixed assets			
TANGIBLE FIXED ASSETS:			
Freehold property	11	179,665	183,732
Computer equipment	11	460	920
Fixtures, fittings and equipment	11	2,106	2,519
INTANGIBLE FIXED ASSETS:			
Computer equipment	12	7,000	8,000
INVESTMENTS:			
Investments	15	8,234,606	7,498,938
Investment property	10	2,085,000	2,085,000
TOTAL FIXED ASSETS		**10,508,837**	**9,779,109**
Current assets			
Programme related investments	14	2,219,623	1,652,071
Sundry debtors	16	34,527	35,310
Cash at bank and in hand		976,648	1,624,761
TOTAL CURRENT ASSETS		**3,230,798**	**3,312,142**
Liabilities			
Creditors: amounts falling due within one year	17	(7,525,695)	(8,103,465)
NET CURRENT LIABILITIES		**(4,294,897)**	**(4,791,323)**
Total assets less current liabilities		**6,213,940**	**4,987,786**
Creditors: amounts falling due after more than one year	17	(1,216,860)	(1,022,264)
TOTAL NET ASSETS		**4,997,080**	**3,965,522**
The funds of the Trust:			
Unrestricted funds:			
General funds	18	3,190,626	2,753,086
Designated funds	18	1,806,454	1,212,436
TOTAL FUNDS		**4,997,080**	**3,965,522**

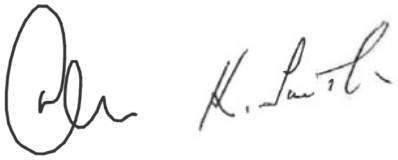
BALANCE SHEET continued

As at 31 December 2024

The attached notes on pages 41 to 57 form part of these financial statements.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the Board of Trustees on 03 April 2025 and signed on their behalf by:



T. Coombe (Chair) | K. Smith (Secretary)

Registration No. 11382378 (England and Wales); Charity No. 1182379; Scottish Charity No: SC043897

CASHFLOW STATEMENT

For the year ended 31 December 2024

	Notes	2024 £	2023 £
Cash Flows from Operating Activities			
Net cash (used in) / provided by operating activities	22	(722,833)	19,141
Cash Flows from Investing Activities			
Rental income received		172,027	166,864
Investment income received		304,584	276,285
Purchase of investments		(928,222)	(1,351,755)
Proceeds from the sale of investments		526,331	1,409,822
One Year Fixed Term Investment Purchase		-	(300,000)
Net Cash Flows from Investing Activities		**74,720**	**201,216**
Change in cash and cash equivalents in the year		(648,113)	220,357
Cash and Cash equivalents brought forward		1,624,761	1,404,404
Cash and cash equivalents carried forward	23	**976,648**	**1,624,761**

NOTES TO THE FINANCIAL STATEMENTS

As at 31 December 2024

1 - ACCOUNTING POLICIES

(1) Legal status of the Charity

The charity is a company limited by guarantee, with no share capital and is incorporated in England and Wales (registration number 11382378). It has registered with the Charity Commission in both England and Wales (charity number 1182379) and Scotland (charity number SCO43897). The registered office is Burton End Lodge, Stansted Hall, Stansted Mountfitchet, Essex, CM24 8UD.

In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

(2) Basis of preparation and assessment of going concern

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 (FRS 102) (effective 1January 2019), the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes. The accounts are stated in pound sterling and rounded to the nearest pound.

(3) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. Trustees have made the decision to invest some of the current assets over the years into listed investments and investment properties which provide a return, therefore giving rise to the charity showing negative net current liabilities. These can be sold should this become necessary to satisfy any debts.

The SNU Trust continues to consider forecasts and budgets to assess the ability of the charity to meet debts as they fall due. As such, they continue to adopt the going concern basis of accounts in the financial statements.

The Board has completed a comprehensive review and is confident of the SNU Trust's ability to continue as a going concern.

(4) Group accounts

The financial statements contain information about the Trust as an individual charity and do not consolidate the subsidiary undertaking, Higginson Securities Limited (a company limited by guarantee). As the subsidiary is dormant and is not material to the group, the charity has taken account of the exemption not to prepare group accounts.

(5) Funds structure

Unrestricted funds comprise of funds which the Trustees are free to use for any purpose in the furtherance of the charitable objectives. The Trustees have created five designated funds to be used to support specific areas of the charity.

Further details of each fund are disclosed in note 18 and in the reserves policy note in the trustees' Annual Report.

NOTES TO THE FINANCIAL STATEMENTS continued

As at 31 December 2024

(6) Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity, this is normally upon 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. This is normally upon notification by the investment advisor of the dividend yield of the investment portfolio. Income from Government Securities is recognised when it is received.

Income accrued and not received on these securities at 31 December is included in the market value of the investments held.

Rental income under operating leases is charged to the profit and loss accounts on a straight line basis over the terms of the lease.

(7) Expenditure

Expenditure is recognised once there is a legal or constructive obligation committing the charity to the expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Costs of raising funds include fees and charges for the management of the investment portfolio and an apportionment of support costs.

Expenditure on charitable activities includes interest paid on investor accounts, governance costs and an apportionment of support costs..

(8) Taxation and Irrecoverable VAT

The Trust is a registered charity and is exempt from corporate taxes, to the extent of operating within its charitable objectives. Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

(9) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the Trust's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated is determined by analysis of staff time sheets completed on a daily basis.

(10) Tangible fixed assets

Tangible and Intangible fixed assets costing more than £1000 are capitalised at cost and are depreciated over their estimated useful lives as follows:

Freehold property	2% straight line
Computer equipment	20% straight line (33.3% straight line in the prior year)
Database	10% straight line

All fixtures, fittings and equipment should be assessed on acquisition and their useful life defined.

The asset should then be depreciated over its expected life on a straight-line basis. The remaining useful life of the asset must be reviewed at least every year.

NOTES TO THE FINANCIAL STATEMENTS continued

As at 31 December 2024

The need for any impairment of a fixed asset write-down is considered if there is concern over the carrying value of an asset and is assessed by comparing that carrying value against the value in use or realisable value of the asset when appropriate.

(11) Investment properties

Investment properties are valued by the trustees at fair value and are not depreciated.

The statement of financial activities includes the net gains and losses arising on the revaluation and disposals throughout the year.

(12) Programme related investments – concessionary loans

Concessionary loans are initially recognised and measured at the amount paid, with the carrying amount adjusted in subsequent years to reflect repayments and any accrued interest and adjusted if necessary for any impairment. Any impairment losses are immediately recognised in the Statement of Financial Activities.

The Trust agrees advances to churches which are subject to agreements that are signed by the church for the full value of the advance as soon as the advance is agreed but funds are only drawn down by the church as required. Where the advance is for rebuilding or renovation costs the full value of the advance may not be drawn down in the same year as that in which the agreement is signed. In these cases, the value of the advance reported in the accounts is that which has been drawn down in the year not the full value of the advance.

(13) Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the bid price.

The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Trust does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

(14) Debtors

Sundry debtors are recognised at the settlement amount due. Prepayments are valued at the amount repaid net of any trade discounts due.

(15) Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

NOTES TO THE FINANCIAL STATEMENTS continued

As at 31 December 2024

(16) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(17) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Fixed assets are recognised at cost less depreciation and investments are recognised at their fair value being the market value, all other assets and liabilities are measured at cost being their fair value and are disclosed in note 15.

(19) Pension

Pension contributions to a defined contribution pension scheme are charged to the statement of financial activities as they occur. These contributions are invested separately from the Trust's assets.

2 - INTEREST ON ADVANCES

Interest on advances as received from the member churches of SNU are disclosed as charitable activities as they are fulfilling a primary purpose of the Trust.

3 - INVESTMENT INCOME

	2024 £	2023 £
Bank and other interest receivable	67,466	42,719
Income from listed investments	237,118	233,566
	304,584	**276,285**

Income from listed investments consists of:

	2024 £	2023 £
Income from Global equities	25,318	23,576
Income from UK equities	53,131	55,022
Income from UK fixed interest / bonds	47,845	37,050
Income from overseas equities	56,406	56,205
Income from overseas fixed interest	2,783	3,457
Income from alternative investments	47,623	53,044
Interest	4,012	5,212
	237,118	**233,566**

NOTES TO THE FINANCIAL STATEMENTS continued

As at 31 December 2024

4 - RAISING FUNDS

	2024 £	2023 £
Investment portfolio management fees	47,365	45,058
Bank charges and interest	1,069	1,167
Support costs and governance (note 6)	12,913	10,299
	61,347	**56,524**

All expenditure in the current and prior year relates to unrestricted funds.

5 - CHARITABLE ACTIVITIES

	2024 £	2023 £
Interest paid on investor deposits	253,047	161,156
Support costs (note 6)	225,632	241,512
Grants to Members	6,306	1,728
	484,985	**404,396**

Included within charitable activites are designated funds of £10,000 (2023: £10,000)

Grants to institutions

Included within charitable activities are grants made to 4 churches amounting to £6,306 (2023: £1,728) as follows:

Southampton Spiritualist Centre

Bognor Regis Spiritualist Church

Blackwood Spiritualist Church

Bury Spiritualist Church

NOTES TO THE FINANCIAL STATEMENTS continued

As at 31 December 2024

6 - ALLOCATION OF SUPPORT COSTS

Current Year

Cost Type:	Basis of allocation £	Charitable activities £	Raising Funds £	Total 2024 £
GOVERNANCE:				
Auditor's remuneration	Direct	28,832	-	28,832
Management committee expenses	Direct	412	-	412
Trustees' indemnity insurance	Direct	352	-	352
AGM expenses	Direct	6,852	-	6,852
Legal & professional fees	Direct	13,045	-	13,045
		49,493	**-**	**49,493**
SUPPORT:				
Staff costs	Staff time	119,738	8,778	128,516
Staff training	Staff time	214	16	230
Depreciation	Staff time	5,534	406	5,940
Stationery and advertising	Staff time	1,181	87	1,268
Water rates	Staff time	68	4	72
Office expenses	Staff time	20,952	1,536	22,488
Telephone	Staff time	1,632	120	1,752
Postage	Staff time	102	7	109
Repairs and maintenance	Staff time	19,623	1,438	21,061
Light and heat	Staff time	2,302	169	2,471
Insurance	Staff time	4,779	350	5,129
		225,632	**12,913**	**238,545**

NOTES TO THE FINANCIAL STATEMENTS continued

As at 31 December 2024

Prior Year

Cost Type:	Basis of allocation £	Charitable activities £	Raising Funds £	Total 2023 £
GOVERNANCE:				
Auditor's remuneration	Direct	24,740	-	24,740
Management committee expenses	Direct	144	-	144
Trustees' indemnity insurance	Direct	285	-	285
AGM expenses	Direct	6,636	-	6,636
Legal & professional fees	Direct	10,690	-	10,690
		42,495	**-**	**42,495**
SUPPORT:				
Staff costs	Staff time	115,141	5,958	121,099
Staff training	Staff time	261	13	274
Depreciation	Staff time	5,906	306	6,212
Stationery and advertising	Staff time	1,747	90	1,837
Water rates	Staff time	68	4	72
Office expenses	Staff time	20,633	1,068	21,701
Telephone	Staff time	1,331	69	1,400
Postage	Staff time	187	10	197
Repairs and maintenance	Staff time	46,244	2,393	48,637
Light and heat	Staff time	2,661	138	2,799
Insurance	Staff time	4,838	250	5,088
		241,512	**10,299**	**251,811**

7 - NET INCOME/(EXPENDITURE):

Net income/(expenditure) is stated after charging:

	2024 £	2023 £
Auditor's remuneration	28,832	24,740
Depeciation	4,940	5,212
Amortisation	1,000	1,000

NOTES TO THE FINANCIAL STATEMENTS continued

As at 31 December 2024

8 - STAFF EMOLUMENTS

	2024 £	2023 £
Wages and salaries	110,890	104,889
Social Security costs	11,537	10,710
Employer's contribution to defined contribution pension scheme (snote 9)	11,089	10,490
	133,516	**126,089**

The average number headcount of employees during the year was made up as follows:

	2024	2023
Office and administration	3	3

No employees had emoluments in excess of £60,000 (2023: none).

The Trust considers its key management personnel comprise the Finance Manager and other Trust Staff as appropriate. This therefore includes all 3 members of staff and their aggregate remuneration as noted above. Included within other trading income is £74,180 (2023: £64,928) in relation to salaries recharged to other organisations during the year.

None of the trustees received any remuneration or benefits in kind from the Trust during the period (2023: £Nil).

Expenses relating to travel and subsistence for attendance at trustee meetings were reimbursed to 3 trustees (2023: 5) during the period and amounted to £1,216 (2023: £455). In addition £1,716 (2023: £1,866) was paid by the SNU Trust for Trustees AGM accommodation in relation to 5 Trustees (2023:5).

During the period Trustees Indemnity Insurance was purchased for £352 (2023: £285).

9 - PENSION COSTS

The Trust operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Trust in an independently administered fund. Contributions payable by the Trust amounted to £11,089 (2023: £10,490). At the year end, contributions totalling £866 (2023: £685) remained outstanding and are included in sundry creditors.

NOTES TO THE FINANCIAL STATEMENTS continued

As at 31 December 2024

10 - INVESTMENT PROPERTIES

Valuation	2024 £	2023 £
As at 1 January 2024	2,085,000	1,752,500
Revaluation	-	332,500
As at 31 December 2024	**2,085,000**	**2,085,000**

The properties were revalued on at 31 December 2024 by Paul Tarrant MRICS of RES Property Surveyors in accordance with the requirements of RICS Valuation -Professional Standards 2017 and FRS102.

11 - TANGIBLE FIXED ASSETS

	Freehold property £	Computer equipment £	Fixtures, fittings and equipment £	Total £
COST				
As at 1 January 2024	203,333	20,660	4,692	228,685
Additions	-	-	-	-
Disposals	-	-	-	-
	203,333	**20,660**	**4,692**	**228,685**
DEPRECIATION				
As at 1 January 2024	19,601	19,740	2,173	41,514
Depreciation on Disposal	-	-	-	-
Charge for year	4,067	460	413	4,940
	23,668	**20,200**	**2,586**	**46,454**
NET BOOK VALUE				
At 31 December 2024	**179,665**	**460**	**2,106**	**182,231**
At 31 December 2023	**183,732**	**920**	**2,519**	**187,171**

NOTES TO THE FINANCIAL STATEMENTS continued

As at 31 December 2024

12 - INTANGIBLE ASSETS

	Computer equipment £	Total £
COST		
As at 1 January 2024	33,120	33,120
Additions	-	-
	33,120	**33,120**
AMORTISATION		
As at 1 January 2024	25,120	25,120
Charge for year	1,000	1,000
	26,120	**26,120**
NET BOOK VALUE		
At 31 December 2024	**7,000**	**7,000**
At 31 December 2023	**8,000**	**8,000**

13 - FIXED ASSET INVESTMENTS

The charity holds more than 20% of the share capital of the following company:

Higginson Securities Limited is a company limited by guarantee and incorporated in the United Kingdom. The company is dormant.

Cost Type:	Holding %	Capital and Reserves 2024 £	Profit/(Loss) for the year 2024 £
Higginson Securities Limited (company no: 04208575)	100	1	-

The financial statements contain information about the Trust as an individual charity and do not consolidate the subsidiary undertaking, Higginson Securities Limited (a company limited by guarantee), on the basis that it is a dormant company.

NOTES TO THE FINANCIAL STATEMENTS continued

As at 31 December 2024

14 FIXED ASSET PROGRAMME RELATED INVESTMENTS

	2024 £	2023 £
PROPERTY - PALMERSTON PLACE		
Cost at 1 January	1,015,982	1,015,982
Revaluation	594,018	
As at 31 December	**1,610,000**	**1,015,982**
CONCESSIONARY LOANS		
Cost at 1 January	636,089	689,241
Repayments	(26,466)	(53,152)
Cost at 31 December	609,623	636,089
Total Programme reated investments	**2,219,623**	**1,652,071**

All concessionary loans made by the Trust are charged interest at 3.75% and are secured by way of a first legal charge on the properties to which the loans relate. These relate to loans given to member churches of the SNU which are part of the charitable purposes of the Spiritualists' National Union Trust. There were no concessionary loans committed to or offered but not taken up at the period end (2023: one loan £50,000).

For information:		
Loans due within one year	20,750	35,564
Loans due after more than one year	588,873	600,525
	609,623	**636,089**

NOTES TO THE FINANCIAL STATEMENTS continued

As at 31 December 2024

15 - INVESTMENTS

	2024 £	2023 £
MARKET VALUE		
At 1 January	7,498,938	6,860,733
Additions	928,222	1,351,755
	8,427,160	8,212,488
Disposals proceeds	(526,331)	(1,409,822)
Net gains / loss on investments	415,053	359,688
	8,315,882	7,162,354
Movements in cash accounts	(81,276)	36,584
One Year Fixed Term Investment Addition	-	300,000
Market value at 31 December	8,234,606	7,498,938
Historical cost at 31 December	**6,959,571**	**6,582,872**

Investments are allotted to each range as follows:	2024 £	2023 £
UK equities	1,427,204	1,518,214
UK fixed interest / bonds	1,754,171	976,369
Overseas fixed interest / bonds	61,361	61,583
Overseas equities	3,406,195	2,990,802
Alternative investments	658,768	714,470
Quilter Cheviot Investor Growth Fund	853,986	783,303
Cash	72,921	454,197
	8,234,606	**7,498,938**

All investments are held primarily for the purpose of providing an investment return.

NOTES TO THE FINANCIAL STATEMENTS continued

As at 31 December 2024

16 - DEBTORS

	2024 £	2023 £
Trade debtors	5,687	4,072
Other debtors	15,400	13,690
Prepayments and accrued income	13,440	17,548
	34,527	**35,310**

17 - CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Investors' balances:		
Deposit account	196,315	363,271
Investment accounts	6,063,508	4,992,544
Super accounts	-	59,706
95 Day Notice accounts	239,993	623,306
Fixed rate bonds	981,958	2,029,592
Regular saver plus accounts	8,066	5,651
Amounts held on behalf of Members	**7,489,840**	**8,074,070**
Trade creditors	2,955	835
Sundry creditors	1,182	1,158
Accruals	29,068	24,864
Tax and social security	2,650	2,538
	7,525,695	**8,103,465**

CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2024 £	2023 £
Investor's Balances - Fixed Rate Accounts	1,216,860	1,022,264
	1,216,860	**1,022,264**

NOTES TO THE FINANCIAL STATEMENTS continued

As at 31 December 2024

18 - FUNDS: MOVEMENTS IN YEAR

CURRENT YEAR	1 January 2024 £	Income £	Expendture £	Transfers £	Gains/ (losses) £	31 Dec 2024 £
UNRESTRICTED FUNDS						
Contingency Fund	2,503,086	-	-	22,487	415,053	2,940,626
General Overheads	250,000	378,764	(265,918)	(112,846)	-	250,000
DESIGNATED FUNDS						
Property Repairs & Maintenance	60,000	172,027	(21,061)	(150,966)	-	60,000
Members Disbursements	200,000	18,028	(253,047)	235,019	-	200,000
Investment Property Valuation Reserve	942,436	-	-	-	594,018	1,536,454
Ray Taylor Memorial Fund	10,000	-	(6,306)	6,306	-	10,000
	3,965,522	**568,819**	**(546,332)**	**-**	**1,009,071**	**4,997,080**

The Trustees Memorial Fund (formerly the Ray Taylor Memorial Fund) is in memory of all Trustees who have served the charity, further details can be found in the Trustees Annual Report.

NOTES TO THE FINANCIAL STATEMENTS continued

As at 31 December 2024

PRIOR PERIOD - restated The below has been restated to show the contingency fund as part of general unrestricted funds.	**1 January 2023 £**	**Income £**	**Expendture £**	**Transfers £**	**Gains/ (losses) £**	**31 Dec 2023 £**
UNRESTRICTED FUNDS						
Contingency Fund	-	-	-	2,143,398	359,688	2,503,086
General Overheads	225,000	341,213	(249,399)	(66,814)	-	250,000
DESIGNATED FUNDS						
Church deposits	1,212,519	-	-	(1,212,519)	-	-
Investments	915,261	-	-	(915,261)	-	-
Properties	233,794	-	-	(233,794)	-	-
Modernisation	502	-	-	(502)	-	-
Property Repairs & Maintenance	-	166,864	(48,637)	(58,227)	-	60,000
Members Disbursements	-	19,165	(161,156)	341,991	-	200,000
Investment Property Valuation Reserve	609,936	-	-	-	332,500	942,436
Ray Taylor Memorial Fund	10,000	-	(1,728)	1,728	-	10,000
	3,207,012	**527,242**	**(460,920)**	**-**	**692,188**	**3,965,522**

During the accounting period, the Board agreed the following reserves policy. Further details can be found in the Trustees Annual Report.

General Unrestricted Fund – Contingency Fund

This fund is held to support the long-term future of the SNU Trust.

General Unrestricted Fund – Overheads

The General Fund will cover working capital for the SNU Trust for a 12-month period, currently £250,000 and representing 7.3% (2023:8.3%) of the total Unrestricted Reserves and is reviewed annually at the December meeting of the SNU Trust to ensure that the level of the fund is set at an appropriate level.

Designated Fund – Members Disbursements

A designated fund should be set aside to cover for disbursements to members by way of credit interest and other payments during the course of the year.

Designated Fund – Property Costs

This designated fund makes allowance for the costs relating to properties owned by the SNU Trust for both investment purposes and as programme related investments.

NOTES TO THE FINANCIAL STATEMENTS continued

As at 31 December 2024

Designated Fund - Trustees Memorial Fund

The Trustees Memorial Fund (formerly the Ray Taylor Memorial Fund) was established in memory of all Trustees who have served the charity over many year and its purpose it to assist member churches facing financial hardship.

During 2024 the Board agreed to increase the available resource within the fund to £10,000.

19 - NET CURRENT ASSETS

CURRENT YEAR	Fixed Assets £	Net current assets / (liabilities) £	Creditors greater than one year £	Fund balance £
UNRESTRICTED FUNDS				
Contingency Fund	-	2,940,626	-	2,940,626
General Overheads	10,508,837	(9,041,977)	(1,216,860)	250,000
DESIGNATED FUNDS				
Property Repairs & Maintenance	-	60,000	-	60,000
Member Disbursements	-	200,000	-	200,000
Trustees Memorial Fund	-	10,000	-	10,000
Investment Property Valuation Reserve	-	1,536,454	-	1,536,454
	10,508,837	**(4,294,897)**	**(1,216,860)**	**4,997,080**

PRIOR PERIOD	Fixed Assets £	Net current assets / (liabilities) £	Creditors greater than one year £	Fund balance £
UNRESTRICTED FUNDS				
Contingency Fund	-	2,503,086	-	2,503,086
General Overheads	9,779,109	(8,506,845)	(1,022,264)	250,000
DESIGNATED FUNDS				
Property Repairs & Maintenance	-	60,000	-	60,000
Member Disbursements	-	200,000	-	200,000
Ray Taylor Memorial	-	10,000	-	10,000
Investment Property Valuation Reserve	-	942,436	-	942,436
	9,779,109	**(4,791,323)**	**(1,022,264)**	**3,965,522**

NOTES TO THE FINANCIAL STATEMENTS continued

As at 31 December 2024

20 - OPERATING LEASES

LESSOR:

At 31 December 2024 the Trust had agreed commitments as a lessor under non-cancellable operating leases to receive the receipts as follows:

	2024 £	2023 £
Investment Properties:		
Not later than one year	184,700	164,741
Later than one year and not later than five years	442,967	258,333
Greater than five years	1,120,950	528,000
	1,748,617	**951,075**

21 - RELATED PARTIES

During the year, some members of the SNU Trust Board were part of the member churches who undertook transactions with the SNU Trust. All of these transactions were part of the normal activities of the Trust and were not influenced or controlled by those members of the Board. There are no other related party transactions (2023: none).

22 - RECONCILATION OF NET INCOME TO NET CASHFLOW IN OPERATING ACTIVITIES

	2024 £	2023 £
Net Income	1,031,558	758,510
Adjusted for:		
Depreciation charges	5,940	6,212
Loss / gains on investments	(1,009,071)	(692,188)
Cash movement on investment portfolio	81,276	(36,584)
Dividends interest and rents from investments	(476,611)	(443,149)
Decrease (increase) in debtors	27,250	42,899
(Decrease)/Increase in creditors	(383,175)	383,441
Net cash provided by operating activities	**(722,833)**	**19,141**

NOTES TO THE FINANCIAL STATEMENTS continued

As at 31 December 2024

23 - ANALYSIS OF CASH AND CASH EQUIVALENTS

	2024 £	2023 £
Cash at hand	976,648	1,624,761
Total	**976,648**	**1,624,761**

24 - ANALYSIS OF NET DEBT

	At 1 Jan 2024 £	Cash flows £	Other non-cash changes £	At 31 Dec 2024 £
Cash and cash equivalents:				
Cash at bank and in hand	1,624,761	(648,113)	-	976,648
Total	**1,624,761**	**(648,113)**	**-**	**976,648**

SNU TRUST
1926

Burton End Lodge, Stansted Hall,
Stansted, Essex CM24 8UD

01279 814158
office@snutrust.co.uk
www.snutrust.co.uk

SPIRITUALISTS' NATIONAL UNION TRUST

England & Wales - Charity number 1182379

Accounts

SNU TRUST
1926

Burton End Lodge, Stansted Hall,
Stansted, Essex CM24 8UD

01279 814158
office@snutrust.co.uk
www.snutrust.co.uk

ANNUAL REPORT 2023

Report and Statement of Accounts

SPIRITUALISTS NATIONAL UNION TRUST

Investing in Spiritualist Churches since 1926

www.snutrust.co.uk

CONTENTS

Report and Statement of Accounts 2023

MESSAGE FROM OUR CHAIRMAN 4

Trevor Critchley - A Tribute 5

MINUTES OF THE 2023 SNU TRUST AGM 7

SNU TRUST ANNUAL REPORT 15

About us 16
Our aims & objectives 17
Our Vision 18
Our Mission 20
2023 financial review 24
Assets of the SNU Trust 25
Investment strategy 26
Investments 28
Loans to churches 30
Reserves policy 31
Trustee-directors 33
Induction of trustees 35
Ray Taylor Memorial Fund 36
Principle risks 37
Trustee-Directors' responsibilities 40

TRUSTEES, STAFF, AUDITORS & BANK INFORMATION 42

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF SNU TRUST 45

A MESSAGE FROM OUR CHAIRMAN

Dear Member

I feel truly honoured to have been selected to take over the chair of the SNU Trust by my fellow trustees.

Losing our dear friend Trevor Critchley to Spirit was a difficult time for us all. I intend to build upon his legacy and leadership for as long as I remain in post. Like Trevor, I will continue to focus on helping our members, maintaining and building relationships, whilst also aiming to attract new members.

My financial expertise is limited having worked for the NHS for the past 45 years. However, I spent well over a decade as a Church treasurer and worked closely with the Trust when we were purchasing our own building for the first time. I have also spent several years as treasurer of my District Council so have firsthand experience of the problems faced by many of our members.

I was raised to help others whenever, wherever, and however possible and I intend to carry this philosophy forward in my stewardship of the Trust.

Working for the NHS for so long has deepened my understanding of the concept of service. That little 'S' does a lot of heavy lifting.

Silver Birch said that "service is the coin of the Spirit". I hold those few words very close to my heart and will always strive to be of service to you, our members.

During 2023, the Board, under Trevor's leadership, laid out its vision for the charity and made plans to take actions to enable the charity to fulfil its mission in the coming years. Details of what the Trust wants to achieve and how it intends to make it happen can be found in the annual report. We will be talking about this more at our Annual General Meeting in Newcastle on 29 September 2024 and we hope that as many of you as possible will be able to join us.

We look forward to seeing you in September.

TIM COOMBE | CHAIRMAN

TREVOR CRITCHLEY 1959 - 2023

It was with great sadness that the Board announced the passing to spirit of Trevor Critchley, the former Chairman of the SNU Trust, in December 2023 and wanted to remember and pay tribute to him as his contributions and leadership led us to where we are today.

Trevor was known by so many people across our Spiritual family, many of you will know that Trevor was renowned for having a wicked sense of humour, a glorious welcoming smile and a genuine passion to improve lives.

He was known as a true advocate for Spiritualism conducting his life and his business with sincerity, integrity and pragmatism, bringing the Brotherhood of Man to life through his relentless commitment and service to the SNU Trust, various other charitable organisations, his family and friends and his fellow man.

The Board will be forever grateful for Trevor giving the Trustees incredible support and a firm foundation for us to take forward and create opportunities for growth, progress and on-going assistance to our members.

Trevor will continue, no doubt, to inspire us all to be the best we can be and lead a principled and moral life.

MINUTES OF THE ANNUAL GENERAL MEETING OF THE SNU TRUST

HELD ON SUNDAY 16th JULY 2023
AT THE HOLIDAY INN NORTH, NORWICH 9.30am

COMMITTEE OF MANAGEMENT:

COMMITTEE OF MANAGEMENT:

Trevor Critchley (Chairman) | Ken Smith
Jane Barton | Tim Coombe | Minister Myrrha Hibbert

IN ATTENDANCE:

Lesley Gilbey

01

WELCOME

Jane Barton welcomed everyone to the Annual General Meeting and introduced the Board of Trustees.

CREDENTIAL REPORT

Proxy Forms Received	9
Representatives	15
Visitors	52
Total Voting Strength	24

Jane advised the meeting that both Trevor Critchley and Minister Myrrha Hibbert were unable to attend the meeting in person, but they hoped to join online if possible. Jane informed the delegates that in Trevor's absence, she would be chairing today's meeting.

02

APOLOGIES FOR ABSENCE

Trevor Critchley – Trustee
Minister Myrrha Hibbert - Trustee

03

APPOINTMENT OF TELLERS AND SCRUTINEERS

TELLERS:

Minister David Bruton (Fund of Benevolence)
Mary Gledhill (Scarborough SC)

SCRUTINEERS:

Helen Lomax (Manchester DC)
Robert Dangerfield (Stourbridge)

04

MOTION 1 - MINUTES OF 2022 AGM

Jane invited the delegates to review the minutes of the 2022 Annual General Meeting and highlighted two corrections:

- Committee of Management 'Tim Smith' should be amended to read 'Tim Coombe'
- Page 7 final paragraph to read 'Minister Bruton asked for clarification…'

That the draft minutes of the 2022 Annual General Meeting be approved.

Proposed: Robert Dangerfield (Stourbridge)
Seconded: Peter Newsome (Castleford)
Adopted.

05

MATTERS ARISING FROM THE 2022 AGM MINUTES

Minister Bruton confirmed that his question from the floor during the 2022 Annual General Meeting had been answered to his satisfaction after the meeting.

06

STATEMENT OF ACCOUNTS AND ANNUAL REPORT

Jane Barton presented the 2022 SNU Trust accounts to the Annual General Meeting.

The SNU Trust accounts in 2022 showed a healthy surplus of £100,000 and the charity is now seeing the benefit of the hard work done to move the charity forwards in the last five years.

The majority of income received by the SNU Trust during the year is from sources where the level of income can be reasonably accurately assessed. Jane highlighted that the interest that the charity earns on loans to members represents the smallest aspect of the income, and in 2022 that figure has reduced as churches repay the amounts outstanding and the Trust is happy to see this trend continue.

06 continued

STATEMENT OF ACCOUNTS AND ANNUAL REPORT

The overheads of the Trust are carefully managed and remain steady year to year. The vast majority of expenditure is used on charitable activities, the largest amount being paid back to members who invest with the Trust.

During 2022 the amount of interest paid over to members increased by over 20% and the rates offered on deposits has continued to rise during 2023. Jane noted that in the current economic climate the Board understand the need to pass any increase in rates on to members to help support them whenever possible.

The grants made to members is something that the Trustees want to actively promote. The Ray Taylor Memorial Fund has been increased by the Trust in the year and is there to help member churches who are facing financial hardship. The Trustees and staff will pick up on any cases that may qualify for help, but Jane asked that if anyone was aware of a church that needs support, then please contact the Trust office.

As interest rates continue to rise the Trust is working hard to ensure that any cash held by the Trust in bank accounts is regularly reviewed to ensure that the charity makes the most of any accounts on offer. The income earned by the Trust from bank interest in 2022 increased significantly and this trend has continued into 2023.

Over the last few years, the SNU Trust has reported surpluses in excess of £95,000 which has come about because expenses faced in preceding years, for example legal costs of changing the charitable status, have not needed to be paid.

However, the Board are conscious that during 2023 there are going to be some significant renovations required at the property in Edinburgh and as such, it is anticipated that the surplus for the current year will fall back. The costs have been factored into the planning for the year and the cash to cover these repairs is held in reserves.

The Board review the rates paid on accounts at each meeting, and between meetings if necessary, to ensure that the interest paid to members is as generous as possible.

06 continued

STATEMENT OF ACCOUNTS AND ANNUAL REPORT

It is important that a balance is struck to ensure that all members, those lucky enough to be comfortable, those who only have small amounts to invest, and those who have loans, are treated as fairly as possible.

Each year the Trust has offered a one-year account to all members paying a very generous rate of interest for investing £1,000 of new money with the Trust. After feedback to the Trustees, the Board have this year altered the account on offer to ensure that even more members can take part.

Jane advised that the SNU Trust will be offering the following accounts:

- 5-5-1 this allows churches to invest £500 at 5% for 1 year
- 1-6-1 this allows churches to invest £1,000 at 6% for 1 year

Members can only open one of the accounts and should therefore select which is best for them. Please remember that this is for new investment into the Trust and money cannot be transferred from accounts already held.

Application forms are available from the SNU Trust website, from the meeting this weekend or direct from the Trust office. All members will be sent the details in the next couple of weeks as well.

CHURCH LOANS

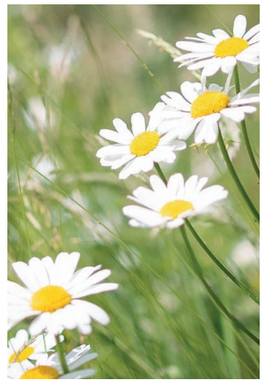
The Trust understands that churches may not feel that it's the right time to be looking to take out loans from the Trust as most are still recovering from the events of the last few years. However, the Trust is still here to help, and is pleased to be helping a church in the Northern District to plan for the future.

Jane assured the meeting that any loan given is carefully considered by the Board and affordability for the church involved is of paramount importance.

The Trust has been looking at the issue of Green Loans for some time and is now in a position to offer small loans up to £2,000 to members for projects that have a positive impact on the environment. This can be solar panels but equally it can be a new boiler or insulation. More information can be provided from the Trust office.

06 continued

STATEMENT OF ACCOUNTS AND ANNUAL REPORT



STRATEGY AND RESERVES

The total income for the Trust in 2022 was £481,000 and it is anticipated that this figure could exceed £500,000 during this year. Once that happens the reporting that the Trust is required to do increases and the Board are taking the opportunity to review both the strategy and the Reserves of the charity.

Back in 2019 when the Trust moved from its old Trust status to a charitable limited company, it was hoped to use the change to drive the charity forward, to encourage more SNU churches to become members and to continue the modernisation of the charity. Plans were put in place but unfortunately covid got in the way.

The Trustees decided to move ahead with the change of logo and last August the new website was launched. A lot of work has taken place both behind the scenes on processes, and on reports and products literature but there's still more to do.

When speaking to churches who are not members of the SNU Trust, it is apparent that the church committees are looking for the accounts and the service provided to be comparable with other financial institutions. That's a fair thing to do and the Board has been conscious for some time that a lot of the ways in which the Trust operates stems from the old Building Fund Pool of decades ago.

As most churches are discovering, the demands made on charities by banks, auditors, the charity commission, and other bodies are increasing all the time. Some of the changes are there to safeguard us all and this got the Board thinking.

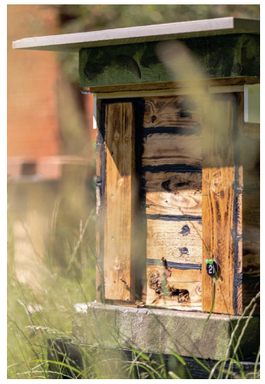
The Trustees recognised the need to put together a document that ensured all churches, members, and non-members, could clearly understand how the Trust is governed, and how membership with the Trust works. Simple things like keeping contact details up-to-date and what happens if something goes wrong.

The SNU Trust has therefore put together a set of terms and conditions that form a basis on which membership operates. There's nothing in there that doesn't already happen, but it's time it was formalised rather than relying on custom and practice. It's hoped that it will make life easier for existing members and possibly even encourage a few new ones.

Again, the document can be accessed from the website and a copy will also be sent to each member in the next few weeks. Copies are also available here this weekend if anyone would like to take a look.

06 continued

STATEMENT OF ACCOUNTS AND ANNUAL REPORT



THE ENVIRONMENT

Whilst the primary purpose of the Trust is based around helping members with finances, the Board is conscious that we all also need to pay attention to the world around us.

The grounds of Burton End Lodge is not as lovely as those of the college, however the lawn to the back of the building wasn't utilised in any meaningful way. Some ideas were considered to enable the grounds to be put to better use.

Various projects were considered, and the most appropriate use has been to turn to beekeeping. The Trust has joined forces with the Bishops Stortford Beekeeping Association and there are now multiple hives on the lawn.

The plan is to create more hives to help the bee population, and therefore the honey is left in the hives allowing them to be split when required.

To help the bees further, this summer the grass has been allowed to grow up with the hope seeing a wildflower meadow appear. Work still needs to be done however some wild orchids did appear and it's hoped that the flowers and grasses left this year will self-seed and provide an even better environment for the bees next year.

Jane concluded her presentation by inviting questions from both delegates and visitors.

MINISTER DAVID BRUTON (FUND OF BENEVOLENCE)

Minister Bruton noted that the Trust's annual report states that the remuneration of the brokers is based on the value of the portfolio. He therefore asked for clarification on the investment portfolio charges shown in the 2022 accounts as despite a reduction in the value of the portfolio in line with the experience of all charities, the fees have risen when compared to 2021.

Lesley Gilbey, Finance Manager of the SNU Trust, responded on behalf of the Board.

Lesley explained that in 2020, five quarters' fees were accounted for meaning that in 2021, only three quarters were reported to redress the balance. Fees in 2022 are for the full accounting period and does not reflect any increase in fees paid.

MOTION 2 - ANNUAL REPORT AND ACCOUNTS

THAT the draft annual report and accounts for the financial year ended 31 December 2022 be approved.

Proposed: Minister David Bruton (Fund of Benevolence)
Seconded: Rita Jones (Broadgate Coventry)
Adopted.

07

MOTION 3 - APPOINTMENT OF AUDITORS

THAT Price Bailey be appointed as the auditors for the Trust for the forthcoming year, and THAT the auditors' remuneration shall be determined by the Trustees.

Proposed: Jane Barton (Spiritualists' National Union Trust)
Seconded: Minister Jackie Wright (Spiritualists' National Union)
Adopted.

08

DECLARATION OF ELECTION

VALID NOMINATIONS RECEIVED:

Jane Barton	27
Tim Coombe	26
Minister Myrrha Hibbert	26

There were no new validly nominated candidates and all remaining committee members were appointed for the coming year.

Jane informed the meeting that the SNU Trust is continually looking to recruit suitably qualified Trustees and asked anyone interested in joining the Board to contact the Trust office.

09

ANY OTHER BUSINESS

In closing the meeting Jane extended her thanks to Lesley Gilbey and all the staff at the SNU Trust for their dedication and support towards all churches as well as the Board of the SNU Trust.

Jane also thanked both the General Manager of the SNU Head Office, Rachael Loukes as well as the National Executive Committee of the Union.

10

DATE & VENUE OF 2024 AGM

To be on the weekend of the SNU AGM 2024.

SNU TRUST ANNUAL REPORT

& FINANCIAL STATEMENTS FOR THE PERIOD ENDING 31 DECEMBER 2023

Registered in England and Wales No. 11382378
Charity No 1182379 (England & Wales)
Charity No SC049738 (Scotland)

ABOUT US

The Trustee-Directors have pleasure in presenting their Annual Report together with the audited financial statements for the charity for the period ended 31 December 2023 and confirm they comply with the Charities Act 2011, the Charities Statement of Recommended Practice second edition 2019 and FRS 102.

The Spiritualists National Union Trust (the SNU Trust) was founded in 1926 as a type of mutual building society for churches affiliated to the Spiritualists' National Union (SNU). The Trust operates independently of the SNU with its own Board of Trustee-Directors and supporting staff.

In May 2018 the SNU Trust became incorporated and took over the assets of the original SNU Trust, allowing us to continue the work of the previous entity whilst ensuring that our business model was fit for the 21st century.

We have a team of three staff: a Finance Manager, a Finance Administrator, and an Accounts Assistant, who are responsible for the day-to-day running of the charity. Overall responsibility for the Trust lies with the Board of five Trustee-Directors, supported by other professional advisors.

OUR AIMS & OBJECTIVES

Everything the SNU Trust does is governed by our charitable objects which set out the main purpose of the charity and what we aim to achieve.

We promote the advancement of SNU Spiritualism by providing financial support to SNU affiliated churches in three ways:

Offering accounts that pay competitive rates of interest

Give loans for new buildings or repair of existing ones

Award grants to help churches in need

The charity is aware that social and economic circumstances have changed considerably since the Trust was originally formed and not all churches are able to afford the costs involved in owning and maintaining their own premises.

The Trust therefore ensured that its objects allowed the organisation to purchase and make available properties by way of lease, this is an area that the board are keen to pursue in the coming years.

PUBLIC BENEFIT STATEMENT

The Trust has regard to the Charity Commission guidance on public benefit and how SNU churches exist to promote the seven principles of Spiritualism which encourages its followers to become socially responsible within the wider community.

The Trust, by financially supporting SNU Spiritualist churches, encourages a religious practice that leads to promoting spiritual welfare and improvement of society.

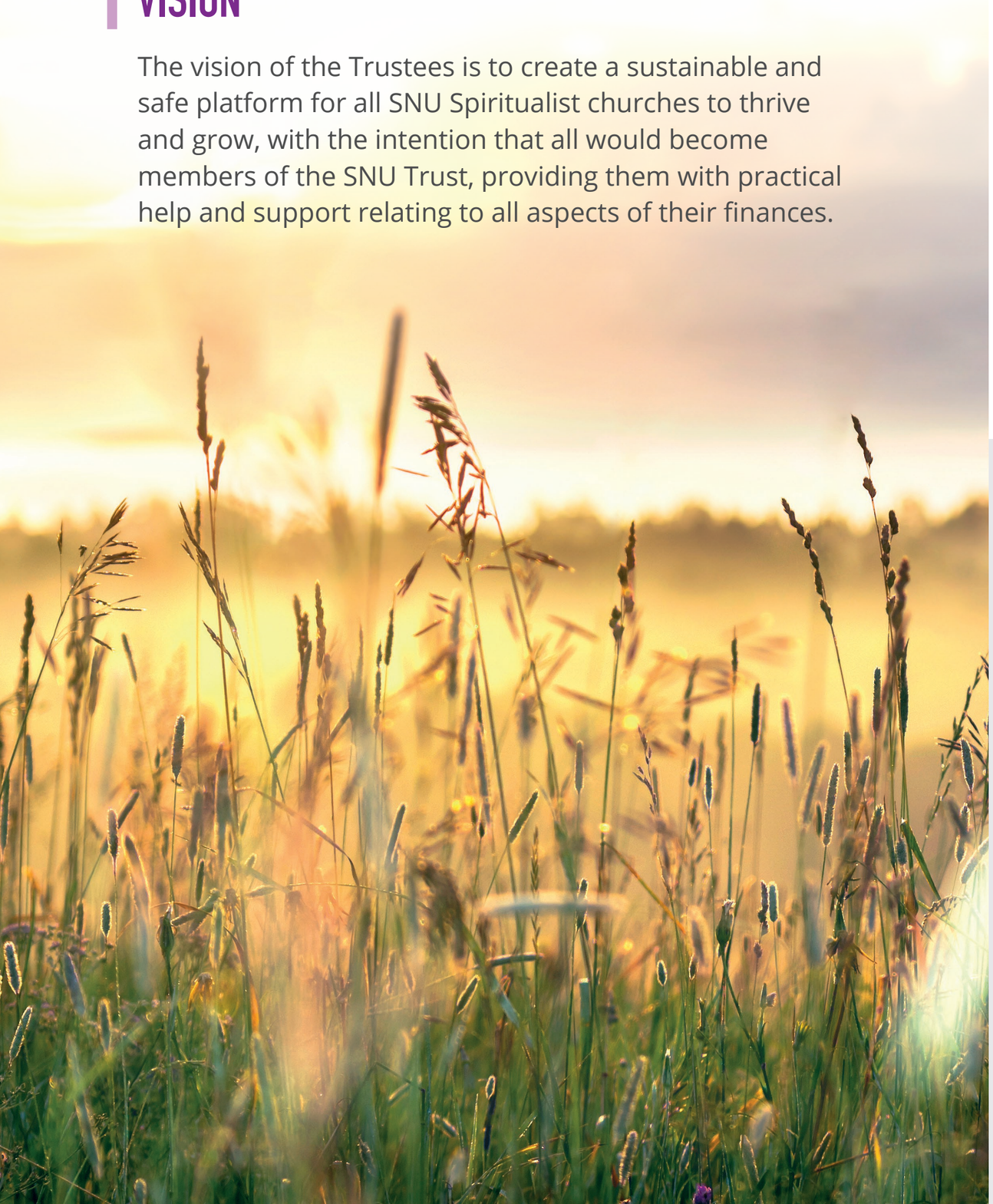
STRATEGIC REVIEW

Over the last five years, and especially during the last twelve months, the SNU Trust has seen a significant shift in how it needs to operate. With this in mind the Board has conducted a full strategic review.

By discussing why the SNU Trust exists, and what it hopes to achieve, the Board has made the decision to take actions during the next three years in order to achieve its vision in time for the SNU Trust's centenary year in 2026.

VISION

The vision of the Trustees is to create a sustainable and safe platform for all SNU Spiritualist churches to thrive and grow, with the intention that all would become members of the SNU Trust, providing them with practical help and support relating to all aspects of their finances.



To enable the SNU Trust to achieve its vision, the Board has taken time to explore why SNU churches might not wish to become part of the Trust.

NAME OF THE CHARITY

The SNU Trust has, for many years, looked at ways to encourage all SNU churches to want to become a member of the Trust and has engaged with all churches to establish what makes churches join, or not join, the charity.

Feedback from churches and individuals was that the name of the charity was confusing, and some church committees felt that by investing with the SNU Trust, they were actually giving their funds to the Union. In 2018, when the Trust changed its legal structure, the charity considered changing its name but after consultation with the attendees at the Annual General Meeting, it was found that a name change alone wouldn't help and could actually be counterproductive.

REGULATION

Trustees of churches are mindful that deposits with the SNU Trust are not covered by the Financial Services Compensation Scheme (FSCS). Only financial institutions registered with the Financial Conduct Authority (FCA) are covered by FSCS and the SNU Trust is not registered.

The activities of the SNU Trust are laid out in the Memorandum and Articles of the charity, and they are restricted to providing facilities to churches affiliated to the Spiritualists' National Union. The FCA consider that, due to the limited nature of its activities, the SNU Trust is exempt from registration however this situation is reviewed regularly to ensure compliance with all legislation.

In 2018 the Board explored the option of voluntarily registering with the FCA, to provide comfort to all members and to offer reassurance to those churches who were hesitant to join.

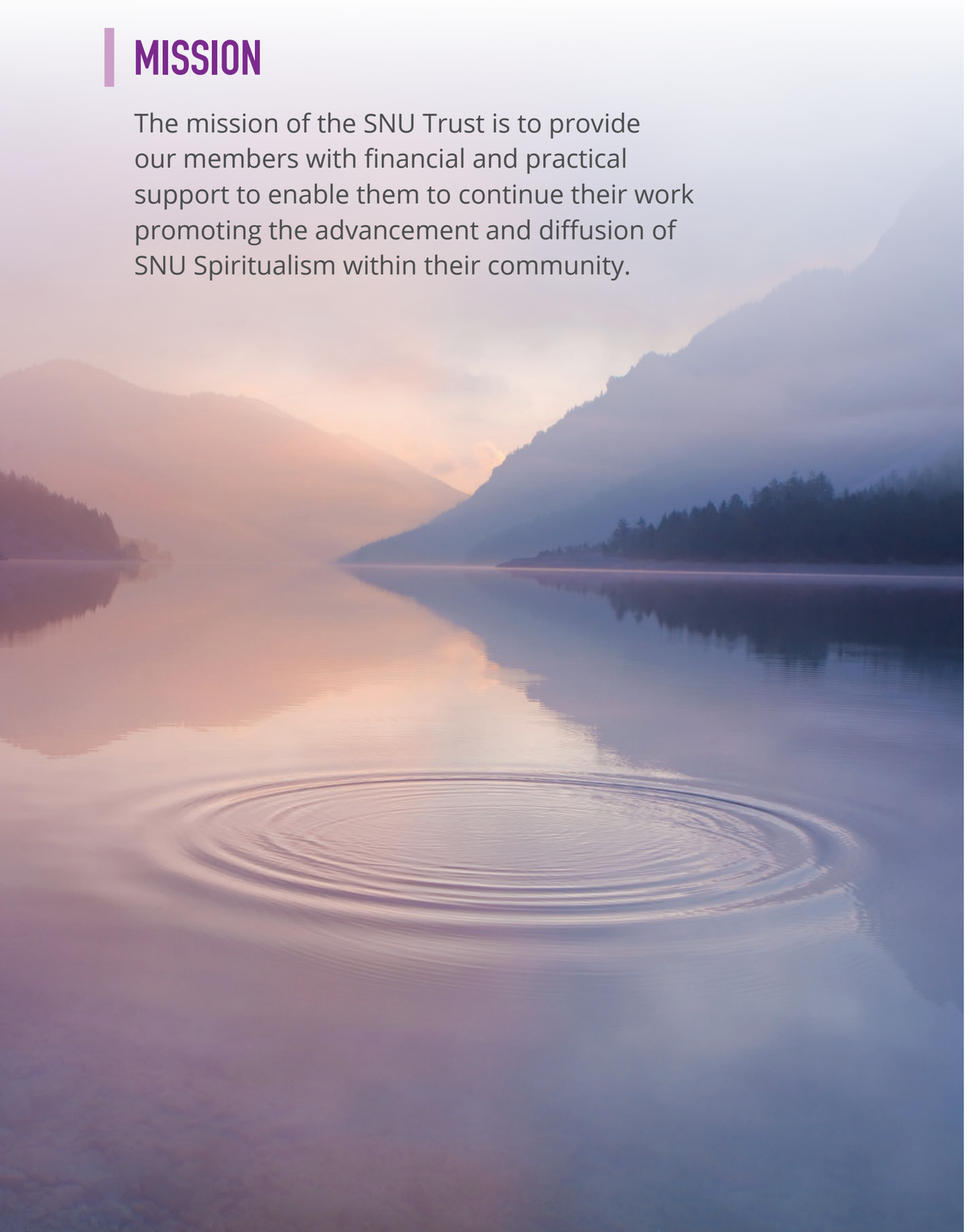
It became apparent that the costs relating to the registration process, and the annual ongoing licencing and administration fees, would run into thousands of pounds each year. In order to justify the level of investment needed, the Board would need to be confident that it was a good use of resources.

After consideration it was felt that the expense that would be incurred on a continuing basis, using resources that could be used to directly benefit members, to attempt to reassure a handful of non-members, was not an appropriate use of reserves.

Instead, the Board agreed to explore other ways to offer reassurance by explaining its position to all SNU churches as well as to build the charity's reserves and establishing a designated fund designed to eventually match the funds held on deposit by members.

MISSION

The mission of the SNU Trust is to provide our members with financial and practical support to enable them to continue their work promoting the advancement and diffusion of SNU Spiritualism within their community.



It is hoped that any SNU church, member, or non-member, finds that the SNU Trust provides fair, impartial, and straightforward advice should it be requested from the charity. However, the Board is conscious that the Trust needs to be more proactive, rather than reactive, to the needs of all churches and has been looking at ways in which this can be done.

INTERACTION WITH CHURCHES

When seeking feedback from churches, it has become clear that committees would appreciate more regular updates and information from the Trust.

The launch of the new website in 2022 was a step towards achieving this goal and the next step is to establish a mailing list of individuals who would like to receive regular newsletters via e-mail. This will be available to all SNU churches and District Councils.

As churches have now returned to normal post-covid it is hoped that Trustees will become more visible at church and District events giving everyone the opportunity to engage and ask questions.

HOW DO WE MAKE THIS HAPPEN?

Actions have already been taken to put in place changes that are felt to bring a more appropriate approach to areas such as the reserves policy, more details of which can be found later in this report. However, the SNU Trust Board understand that to achieve the vision outlined above, more resource is needed in terms of time to devote to the strategy, there needs to be better use of data already held and outside expertise should be sought where necessary.

Throughout 2024 the Trustees and staff will be working to implement a strategic plan to enable the charity to fulfil its vision.

PLANS FOR 2024 AND BEYOND

The Board will focus on three areas in 2024 which will allow the charity to understand its current effectiveness and gain a better understanding of how to improve its ability to improve the Trust's impact on its members.

AREAS

Increase awareness of charity and the added value it brings to all SNU churches	*Commit to disburse 40% of budget to members*	*Increase engagement with existing members*

MEASURES

Website traffic	*Number of church interactions*	*Number of members engaging at AGM measured by credential report*

By gathering this information, it allows the Board to better understand the charity's strengths and weaknesses, allowing it to plan for the future by making decisions that will ensure the SNU Trust can make a lasting impact on the SNU churches it was established to support.

VISION

To create a sustainable and safe platform for SNU Spiritualist Churches to thrive and grow in their pursuit of community engagement and the promotion of Spiritualism, where all SNU churches can become members, finding help and support for their financial needs.

MISSION

To provide our members with financial and practical support to enable them to maintain their commitment to promoting the advancement and diffusion of SNU Spiritualism.

VALUES

The Seven Principles are fundamental to the values of the SNU Trust and form the basis of the ethical leadership and culture within the charity.

VALUES

The interest of the members and the work they undertake within the community are at the heart of what the SNU Trust does.

VALUES

The SNU Trust, and those who work and volunteer in and with the Trust, uphold the highest level of institutional integrity and personal conduct at all times.

VALUES

The SNU Trust operates with a culture of openness, transparency, and respect, subject to complying with legal and regulatory requirements.

2023 FINANCIAL REVIEW

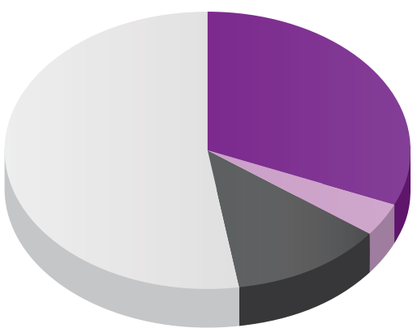
Whilst one of the primary objects of the SNU Trust is to give loans to member churches, the income the charity receives from interest on those loans makes up only 3.6% of the charity's total income (2022 4.4%). The amount of loans outstanding in 2023 has reduced from £689,241 to £636,089, as churches make repayments however a loan for £50,000 was approved during the year which has not yet been drawn down by the member.

The main income streams for the SNU Trust are derived from dividends paid on a portfolio of stocks and shares managed by Quilter Cheviot, rental income from properties, and management charges to the Spiritualists' National Union for accounting services.

Each year, interest paid out to members forms the largest cost for the SNU Trust. The Board meet quarterly and always review the credit interest paid on all accounts to ensure that the Trust remains competitive. All other expenses are carefully controlled, and we are always looking at ways to be more effective and efficient.

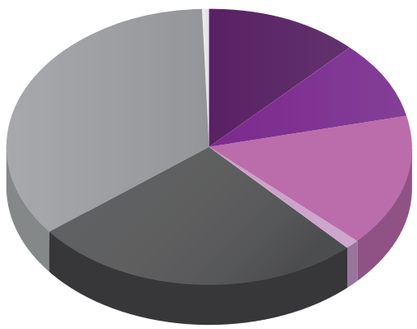
INCOME

	2023	2022
Rental income	£166,864	£164,044
Interest on Advances	£19,165	£21,228
Management Charges to SNU	£64,928	£49,175
Investment Income	£276,285	£246,941
	£527,242	£481,388



EXPENDITURE

	2023	2022
Raising Funds	£56,524	£56,566
Governance	£42,495	£31,157
Other Support Costs	£71,432	£41,678
Depreciation	£6,212	£9,687
Staff Costs and Training	£121,373	£105,731
Interest to investors	£161,156	£135,075
Grants to members	£1,728	£230
	£460,920	£380,124



ASSETS OF THE SNU TRUST

The total assets of the SNU Trust are £13,091,251 (2022 £11,949,300), are unrestricted in their nature, and are held in various ways to ensure that the charity limits its exposure to financial risk.

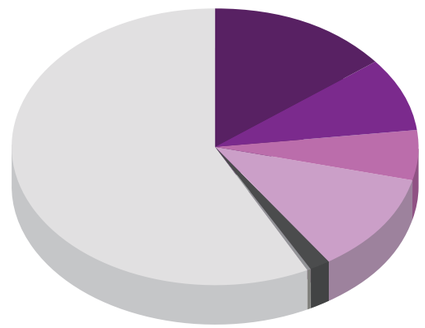
The assets include members' deposits and of those assets, £9,125,729 (2022 £8,742,288) relates to church deposits and sundry creditors leaving £3,965,522 (2022 £3,207,012) in SNU Trust reserves.

The approach of the Board has always been to ensure that all funds are invested in multiple ways to ensure that, if necessary, the Trust's assets could be liquidated to ensure that members are fully repaid (2023 £9,096,334 2022 £8,714,159). To that end the assets of the charity are spread across the following areas:

- **Cash held in multiple accounts** that are FSCS licenced to cover the charity's liquidity needs.
- **Investment stock portfolio** – this is closely managed to ensure that the Trust is not exposed to any one particular market area.
- **Investment properties** – The SNU Trust owns three buildings in the south which are all rented to Choice UK who provide assisted living for vulnerable adults. All properties are subject to long term leases giving the charity a secure and reliable income stream.
- **Burton End Lodge** which is used as the charity's head office.
- **Palmerston Place** – the building in Edinburgh is home to both the Edinburgh Association of Spiritualists and Palmerston Trust, a completely separate charity whose objectives are to promote the furtherance of SNU Spiritualism in Scotland.

ASSETS

	2023	2022
Investment Property	£2,085,000	£1,752,500
Property for Charitable purposes	£1,015,982	£1,015,982
Loans to Members	£636,089	£689,241
Cash	£1,624,761	£1,404,405
Fixed Assets	£195,171	£201,383
Sundry Debtors	£35,310	£25,056
Investments	£7,498,938	£6,860,733
	£13,091,251	£11,949,300



INVESTMENT STRATEGY, OBJECTIVES & TARGET

The SNU Trust has a detailed investment policy that set out clear objectives and the parameters as to how we manage our reserves. The general principles are:

- To produce the best financial return within an acceptable level of risk
- To grow the capital of the portfolio over the long term as well as generating income
- To generate a return of inflation plus 3.5% pa over the long term, after expenses
- To adopt an exclusionary policy in respect of investments in Armaments
- To be mindful of being a responsible investor

OVER THE LAST FINANCIAL YEAR

Despite widespread concerns at the beginning of the year, most major economies have fared better than feared in the higher interest rate environment. The UK defied widespread forecasts for a recession, and the US has reported solid growth figures. The European Union may have slipped into a recession but if this is the case, it has been fairly insignificant thus far.

Inflation fell significantly during the year and the cost of utilities fell back from the levels seen in 2022 helping ease the burden a little for members, although costs have not returned to their previous levels.

The Bank of England increased the base rate from 3.5% to 5.25% over the course of the year however it is anticipated that rates will fall back in the second half of 2024.

The final quarter of 2023 saw the value of the portfolios bounce back to end the year resulting in an unrealised gain of £359,346.

The investment income received during the accounting period was in line with the income in 2022, as forecast. The income in 2024 is expected to increase by around 3%.

It should be noted that the increases in the Bank of England's base rate during 2023 do not have a direct impact on the dividends received by the Trust.

Since the inception of the of the portfolio on 1 August 2016, Quilter Cheviot has achieved an overall (capital and income) return of 65.8% after expenses, against the stated annual target of CPI plus 3.5% which over the same period stands at 60.5% and therefore the actual return received over the period since inception is higher than the target.

OVER THE LONGER TERM

Any investments with the Trust's brokers are viewed as a longer-term investment and that means that it is expected that there could be some moderate disruption to the capital value of any investments, although 2023 showed an increase in capital value at the year end.

Since 2017 the value of the portfolio has increased overall and importantly the income received totalling more than £1.4 million has enabled the charity to continue to support SNU churches.

MANAGEMENT OF THE PORTFOLIO

The SNU Trust continues to work closely with the charity's broker, Quilter Cheviot Investment Management, and during 2023 have met regularly with our account manager to assess and review the management and performance of the SNU Trust portfolio.

The charity receives quarterly valuation and performance reports in addition to information around how the Brokers are engaging with organisations to hold them to account on business decisions and strategy.

The cost of managing the portfolio by Quilters is calculated as a percentage of the value of the portfolio at the end of each month; Quilter Cheviot therefore have a vested interest in ensuring the maximum growth of the Trust's portfolio whilst ensuring that any investment adheres to the strict parameters laid out in the agreed Investment Policy.

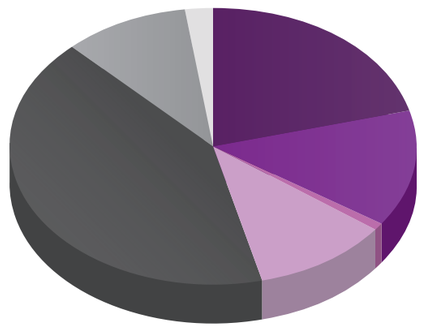
Quilter Cheviot is instructed to manage the portfolio on a discretionary basis, and they are mindful of the objective of the portfolio at all times.

ASSET CLASSES 2023

To ensure that the risk is managed appropriately within the portfolio, we hold a diversified range of assets.

QUILTER CHEVIOT PORTFOLIOS

	2023	2022
UK Equities	£1,518,214	£1,508,364
UK Fixed Interest/bonds	£976,369	£768,751
Overseas fixed interest/bonds	£61,583	£112,396
Quilter Cheviot Investor Growth Fund	£783,303	£707,704
Overseas Equities	£2,990,802	£2,695,051
Alternative Investments	£714,470	£950,854
Cash	£154,197	£117,613
	£7,198,938	**£6,860,733**



RESPONSIBLE INVESTMENT

Although the only specific exclusion in the investment policy relates to armaments, the Trust is always mindful to pay close attention to its responsibilities as investors. The Board ensure that our fund managers take environmental, social and governance (ESG) issues into account when making decisions about the charity's portfolio. These considerations, including details on engagement undertaken by Quilter Cheviot, form part of the regular reviews. As a charity, we believe in active engagement rather than divesting ourselves of holdings, this allows us to be part of the force for positive change.

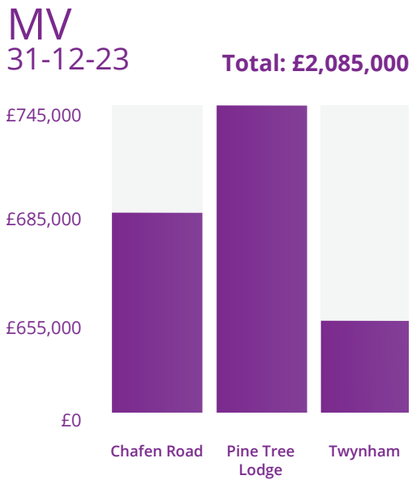
PROPERTY INVESTMENTS

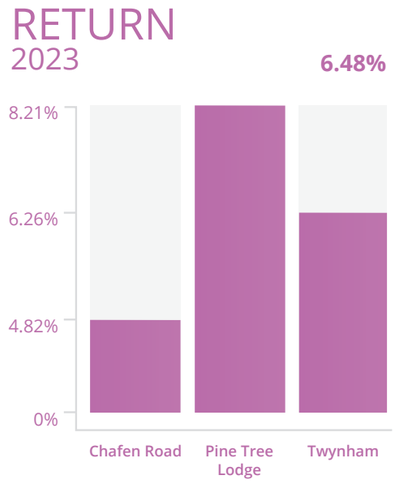
The SNU Trust own three properties in the south of England that are leased out on long term agreements to Choice UK who provide assisted living for adults with learning disabilities and other long-term needs. The Trust is not involved in the management or operation of the homes.

The leases on all the care homes are full repairing leases and as such, Choice UK are responsible for all repairs, maintenance, and insurance of the properties. The SNU Trust incur no costs during the year relating to these properties.

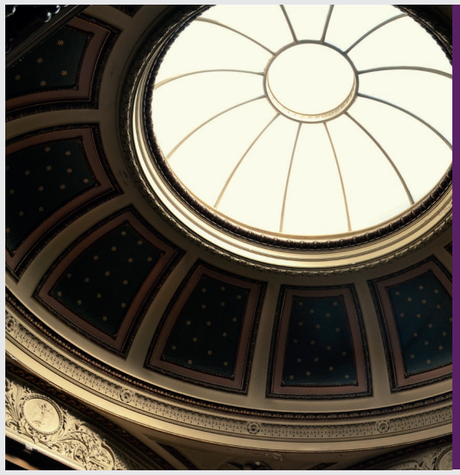
The Trust regularly appraises the market value of its investment properties to ensure an appropriate income return on investment and that the valuation of the investment properties accurately reflects their market value. In 2023, Neil Oxford, of Christie & Co Surveyors, reviewed the valuations of the buildings and the Trustee-Directors will continue to monitor the markets.

The SNU Trust continued to receive rental income of £135,150 (2022 £135,150) from Choice UK which generates a return on Investment 6.48% (2022 7.71%).





PALMERSTON PLACE



The SNU Trust owns a property in Edinburgh which, for twelve years, has been home to both Edinburgh Association of Spiritualists and Palmerston Trust, a charity based in Scotland whose objects are based around the Seven Principles. The property is held as a charitable investment and as such, the Board of the SNU Trust has scope to take into consideration the aims of the tenant when reviewing the investment as part of the Trust's wider portfolio.

The Trustee-Directors are mindful that whilst the rent charged to Palmerston Trust should be reflective of its core objects of the furtherance of spiritualism, it must be balanced against the need to ensure a return that would ultimately enable the charity to pass any financial benefit on to all members.

Both Palmerston Trust and Edinburgh Association are in year four of five-year agreements which incorporate annual rental uplifts which will result in a return on investment of 3.75% in the final year.

CHURCH DEPOSITS

Churches continue to experience financial pressure due to the rise in energy prices along with inflation however members have been working hard and there has been a net increase in member deposits of around 4.4% for the accounting period. This supports the anecdotal evidence from within the Trust office which daily receives calls painting an improving picture for SNU churches.

The Trust continues to provide support and advice for member and non-members, and through this interaction the SNU Trust has gained new investment from existing members, as well as new members. The Board would like to extend its thanks to those churches for their continued support.

In 2023, a 1-6-1 account was made available to those members fortunate enough to be able to invest a further £1,000 with the Trust for one year. It was pleasing to see that 41 churches took advantage of the generous rate of 6%.

Following feedback from members, the Trust also offered a 5-5-1 account, inviting members to invest £500 for one year at a rate of 5%. Whilst only one church took up the offer, the Board will continue to offer products that allow as many members as possible to benefit from the rates available.

Products and interest rates offered to churches are reviewed at each Trustee-Director meeting to ensure that the charity continues to encourage existing and new members to further invest with the Trust. The SNU Trust is aware of the importance of the income provided to churches by way of interest on any savings held and the Board is always mindful to hold up rates on credit balances whilst holding rates down on loans whenever possible to support members to the best of their ability.

LOANS TO CHURCHES

In recent years, the SNU Trust has had minimal applications for loans from members who have been, understandably, reluctant to enter into any long-term financial commitments.

During 2023 the SNU Trust received one application from North Shields Spiritualist Church, (2022 nil), who after a number of years of renting premises, was finally able to purchase its own church. This was achieved with the cooperation of the Spiritualist National Union, and the SNU Trust was happy to provide financial support to refurbish the interior. The church has not yet drawn down any funds as work is yet to start however the Trust looks forward to being able to share the project with its members when completed.

It is important that churches taking out loans are able to comfortably afford the repayments over the full term and we work closely with any church to ensure that they are able to repay without difficulty. The SNU Trust takes care to not put any church committee or its members under financial pressure.

Any application must ensure that the church can demonstrate an ability to meet any repayments based on normal church activities. Whilst we understand that plans may include additional events that would generate income, it would be difficult to sustain this over the full term of any loan.

As any loan must be secured, the member will need to notify the SNU of any plans and we would encourage the member to contact them at the outset. A crucial part of any project is to ensure that there is complete understanding of the total financial commitment of any work and the Union are able to assist in obtaining the appropriate surveys, quotes and other costings. Once any loan is agreed and the charge is in place, the Trust is unable to lend any further funds without going through the application process again.

There are no penalties for overpayments or early repayment, and we encourage churches to clear their loans as soon as possible without putting themselves under financial pressure.

RESERVES POLICY

The current reserves policy guiding the Board of the SNU Trust was written a number of years ago and is structured to provide financial support to the various parts of the charity that could experience issues in the face of unforeseen circumstances.

When reviewing the charity's strategy, the Board revisited the policy in light of the pandemic, where significant global events had little impact on the finances of the Trust.

The reserves policy of any organisation is traditionally based around building sufficient reserves to allow it to cover its known liabilities, absorb setbacks and move forwards and this has historically been the approach of the SNU Trust.

The SNU Trust is in an unusual position in that its accounts reflect a negative working capital position, that is to say should its members all wish to withdraw their funds at the same time, then the charity would need to sell some of its longer-term investments to meet its commitment. It is for this reason that the current policy has been looking to build reserves.

The Board considered whether this concept has led the SNU Trust to be particularly cautious in its decision making and may become detrimental to the members of the Trust going forward. It was agreed that what makes the Trust charitable is what is spent, not what is saved and that decisions should centre around what is best for the members whilst ensuring the long-term future of the charity.

Focussing on building a reserve that will ultimately match members deposits, when it is hoped that those deposits will increase year on year, means that the charity may lose sight of helping current members by distributing more of the Trust's income on a regular basis whilst striving to meet a target that will, in reality, take decades to achieve.

The Board has therefore agreed that the reserves policy be redrawn and has agreed the following policy for the accounting period 31 December 2023. The policy will be kept under review to ensure that it continues to be appropriate.

The SNU Trust has agreed that the charity's desired level of unrestricted reserves should be sufficient to enable the charity to continue its day-to-day activities, using its reserves where necessary to support the needs of its members whilst building a contingency to safeguard the future of the SNU Trust. It is anticipated that the funds will be utilised during each accounting period, with the exception of the Contingency Fund, and that the level of each fund will be reviewed on an annual basis.

At the year end the level of unrestricted funds was £3,023,086 (2022 £2,597,076)

The Trustee-Directors have agreed that the current reserve should be divided into smaller funds targeting specific areas of activity of the charity. This will give comfort that in the event of unforeseen circumstances the SNU Trust has made provision to ensure the continuation of the SNU Trust in supporting Spiritualism.

DESIGNATED FUND - CHARITY OVERHEADS

The General Fund will cover working capital for the SNU Trust for a 12-month period, currently £250,000 and representing 8.3% of the total Unrestricted Reserves and is reviewed annually at the December meeting of the SNU Trust to ensure that the level of the fund is set at an appropriate level.

DESIGNATED FUND – PROPERTY COSTS

This designated fund makes allowance for the costs relating to properties owned by the SNU Trust for both investment purposes and as programme related investments.

DESIGNATED FUND – MEMBERS

A designated fund should be set aside to cover for disbursements to members by way of credit interest and other payments during the course of the year.

DESIGNATED FUND – RAY TAYLOR MEMORIAL FUND

The Ray Taylor Memorial Fund was established in memory of Ray Taylor, a former Trustee-Director of the SNU Trust, who was a proponent of churches facing financial hardship.

During 2023 the Board agreed to increase the available resource within the fund to £10,000.

DESIGNATED FUND – CONTINGENCY FUND

All remaining funds should be utilised to support the long-term future of the SNU Trust.

TRUSTEE-DIRECTORS

The SNU Trust, like all voluntary bodies, continues to find it increasingly difficult to identify new Trustee-Directors to welcome on to the Board.

The Trustee-Directors are mindful that this is something that has been a cause for concern for a number of years and it is a matter that is discussed at each meeting of the Board as this is a key risk which must be addressed.

The current Trustee-Directors are aware that in order to safeguard the future of the charity, it is important to encourage more people to get involved to ensure a continuous approach to growing the charity to support SNU churches in the future.

Whilst the SNU Trust is primarily focused on finance, there are other areas of qualification or experience required of Trustee-Directors which would be beneficial to the charity including legal, property or governance sectors. However, the Board recognises the value of any volunteer who would like to support the SNU and its affiliated churches and would be happy to lend time and experience to the organisation.

Trustee-Directors are elected by SNU Trust member churches for a period of two years, with half retiring in alternate years. The retiring Trustee-Directors can be re-nominated and serve for a maximum of eight consecutive years, unless the Trustee-Directors consider it would be in the best interests of the charity to continue to serve beyond that point, and that the Trustee-Director is appointed in accordance with the Articles.

THE ROLE OF THE BOARD OF TRUSTEES

At its simplest, the role of the trustee board is to monitor the assets of the charity, safeguard them and apply them to the charitable purposes of the SNU Trust. The trustee board must always act in the best interests of the SNU Trust, exercising the same standard of duty of care that a prudent person would apply if looking after the affairs of someone for whom they have responsibility. The trustee board must act as a group and not as individuals.

DUTIES OF A TRUSTEE BOARD MEMBER

The duties of a trustee board member are to:

- ensure that the SNU Trust complies with its governing document (its Articles of Association), charity law, company law and any other relevant legislation or regulations
- ensure that the SNU Trust pursues its objects as defined in its governing document
- ensure the SNU Trust applies its resources exclusively in pursuance of its objects. For example, it must not spend money on activities which are not included in the objects, however worthwhile they may be
- contribute actively to the board of trustees by giving firm strategic direction to the SNU Trust, setting overall policy, defining goals, setting targets, and evaluating performance against agreed targets
- safeguard the good name and values of the SNU Trust
- ensure the financial stability of the SNU Trust.

In addition to the above statutory duties, each trustee should use any specific skills, knowledge or experience they have to help the board of trustees reach sound decisions. This may involve leading discussions, identifying key issues, providing advice and guidance on new initiatives, and evaluating or offering advice on other areas in which the trustee has particular expertise.

MINIMUM TIME COMMITMENT

Trustees are expected to attend all board meetings. Board meetings are held four times a year at dates agreed by all Trustees, usually but not exclusively on Saturdays if on site and evenings if via remote conferencing. Accommodation is provided should this be required due to the trustee's location or circumstances. A December meeting each year is allotted to strategic planning and is an on-site meeting. Meetings last approximately five hours on site, and remote conferencing last approximately two hours.

- Papers are distributed one week in advance of meetings.
- Trustees are expected to attend the annual general meeting (AGM) of the SNU Trust, which take place on the weekend of the SNU AGM each year.
- Trustees can claim out of pocket expenses incurred in travelling to meetings.

PERSON SPECIFICATION

Each trustee must have:

- a commitment to the mission of the SNU Trust
- a willingness to meet the minimum time requirement
- integrity
- strategic vision
- good, independent judgement
- an ability to think creatively
- a willingness to speak their mind
- an understanding and acceptance of the legal duties, responsibilities, and liabilities of trusteeship
- an ability to work effectively as a member of a team and to take decisions for the good of the SNU Trust.

The board of trustees collectively needs skills and experience in the following areas:

- financial management, income generation and enterprise
- national and local voluntary sector
- digital strategy
- human resource management
- legal knowledge
- charity governance

INDUCTION OF TRUSTEES

Before joining the Board of the charity, new Trustees are asked to sign up to the SNU Trust Code of Conduct, a copy of which is available via the SNU Trust website.

Trustees are provided with a copy of the charity's governing document and a copy of the latest published accounts and annual report.

Trustees are given information and support prior to meetings to ensure that they are fully supported, enabling them to have the confidence to participate in any decision-making discussions with confidence.

Throughout 2024, all Board members will attend courses on various matters such as investments and human resources, as well as a refresher course on duties of trustees.

Churches have been asked to consider if anyone of their members would be interested in becoming a Trustee-Director, or if they would like to gain a better understanding of what would be required in the role, they are encouraged to contact the SNU Trust Head Office and speak to Lesley Gilbey. Alternatively, Tim Coombe, the Chair of the SNU Trust can be contacted directly.

GOVERNANCE AND MANAGEMENT OF THE CHARITY

The Trustees of the SNU Trust oversee the governance of the charity and delegate the day-to-day management of the charity to the Finance Manager, Lesley Gilbey. The staff work as a team to deliver support and service to all SNU affiliated churches, whilst also providing accounting support to the Spiritualists' National Union.

Decisions regarding financial matters as well as planning for the future of the charity are discussed by the Board and the actions required to enact those decisions are passed to the Finance Manger to take forwards.

RAY TAYLOR MEMORIAL FUND

The Ray Taylor Memorial Fund was established in memory of Ray Taylor, a former Trustee-Director of the SNU Trust, who was a proponent of churches facing financial hardship.

Grants are awarded to member churches where a need is identified for financial assistance with essential items and applications are invited though the charity's website. However, if the charity becomes aware of a member who could benefit from the Fund then this will be considered by the Board.

In 2023 the Ray Taylor Memorial Fund shared the cost of eradicating Japanese knotweed from the grounds of Moston Spiritualist Church by making a grant of £1,727.60.

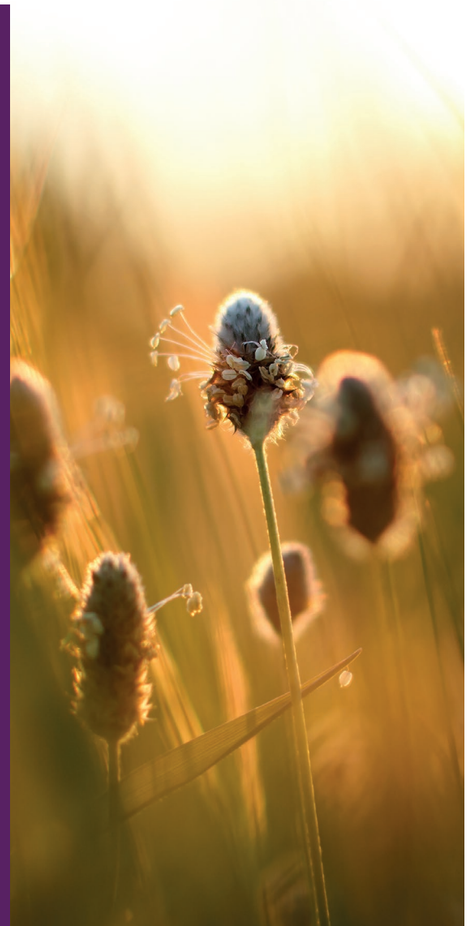
In late 2023 Blackwood Spiritualist Church began work to renovate its staircase to give safe access to the upper floors for its members. The Trustees were made aware of this and agreed a grant of up to £1,000 to allow the church to update its kitchen area as well. The grant has not yet been paid.

During 2023 the Board agreed to increase the available resource within the fund to £10,000.

INTRODUCTION OF TERMS AND CONDITIONS OF MEMBERSHIP

The Board has been conscious for some time that a lot of the ways in which the SNU Trust operates stems from the old Building Fund Pool of decades ago. As part of the Trust's ongoing modernisation plans, it was felt that all churches, members and non-members, should be able to clearly understand how the Trust is governed, and how a membership with us works. Simple things like keeping contact details up-to-date and what happens if something goes wrong.

The SNU Trust therefore provided a set of terms and conditions to all members, that form a basis on which their membership operates. The details in the booklet reflect the current processes already in place and there are no changes in the way in which the accounts are administered. The Trust has taken the opportunity to set everything down in writing rather than relying on custom and practice. It's hoped that it will make life easier for our existing members and possibly even encourage a few new ones! The booklet can be accessed via our website and additional copies are available on request.



PRINCIPLE RISKS

The SNU Trust assess all risks the charity may encounter at each meeting identifying the following as key risks.

RECRUITMENT OF NEW TRUSTEE-DIRECTORS

The identification and recruitment of new Trustee-Directors continues to be an urgent priority for the SNU Trust during 2024. There are currently five Trustee-Directors, however a maximum of eight can be appointed to the Board. Steps taken to address this matter have been outlined earlier in the report.

CONFLICT OF INTEREST

The Trust operates a register of interests for all Trustee-Directors and the Trust has developed and published a detailed policy on managing potential conflicts of interest and loyalty, a copy of which is published on our website and is available to download. This policy outlines the responsibility of Trustee-Directors when considering any potential conflict which may affect their ability to make a decision as part of their duty as Trustee-Director. At each meeting of Trustee-Directors, a complete record of current declarations is circulated to the attendees and Trustee-Directors are asked to declare any changes in their register of interests and loyalty; the register includes details of membership of SNU Committees, Churches, allied Trusts and any contractual involvement that Trustee-Directors might have with members of the Trust.

A Trustee-Director will withdraw from any discussion or decision-making in respect of any matter in which a conflict of interest may arise.

DISASTER RECOVERY PLAN

The SNU Trust has a comprehensive disaster recovery plan which is a documented, structured set of instructions to allow the Trust to respond to unplanned incidents and have the ability to continue to operate or quickly resume critical functions. The plan is accessible to all staff and Trustee-Directors and is constantly under review.

DATA SECURITY

The Trustee-Directors have taken steps to ensure that the integrity of the data and documents held by the Trust will not be compromised. Computer data is securely backed up both on and off site and its reliability is tested as part of the Trust's Disaster Recovery Plan. Important documents are kept in a fireproof safe.

PRINCIPLE RISKS continued

FRAUD PREVENTION

The SNU Trust has adopted the Internal Financial Controls for Charities Guidance (CC8) provided by the Charity Commission to ensure that essential checks and procedures are completed to ensure that the Trust meets their legal duties to safeguard the charity's assets.

Additional measures have been implemented designed to ensure that members funds are only used for their intended purposes; the signatory mandates which are sent out to members annually have been reviewed and updated to include changes which will give further protection.

REMUNERATION POLICY

The Trust aims to maintain remuneration at levels that enable the charity to recruit and retain employees of suitable calibre and motivate them to achieve their set objectives.

Remuneration of all staff is reviewed annually in December when the Board reviews the remuneration of all staff as advised by the Trustee-Director with responsibility for Human Resources and makes decisions on adjustments required. Any changes made take into account market movements applying to the role within the sector and all decisions are subject to overall budget approval by the board for the year in question.

FUNDRAISING COMPLIANCE

The Charity understands its duty to protect the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate.

The SNU Trust does not raise any funds from the general public and can confirm that no internal resources are used for this purpose. In addition, the charity does not commission a professional fund-raiser/commercial participator for fundraising.

The charity is not subject to an undertaking to be bound by any voluntary scheme for regulating fund-raising, or voluntary standard for fund-raising in respect of activities on behalf of the charity.

The SNU Trust has adopted principals of GDPR legislation and also has policies to protect the data of members of the public.

The Board confirms that no complaints were received during the year about activities for the purpose of fund-raising.

PRINCIPLE RISKS continued

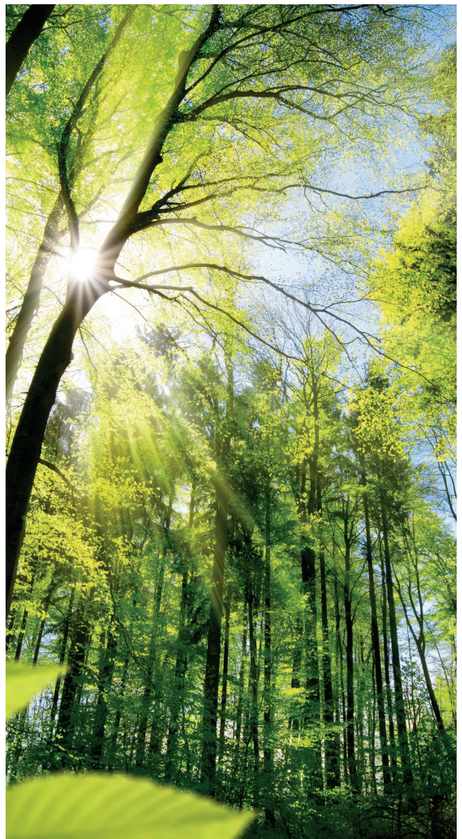
CUSTODIAN TRUSTEE-DIRECTOR

The purpose of Higginson Securities Limited is to hold the legal charges in favour of the charity relating to members' secured loans owed to the SNU Trust. Going forwards, any legal charges acquired after May 2019 will be held by the SNU Trust and when all historic charges are released, Higginson Securities Limited will be wound up.

All title deeds relating to properties owned by the Trust are held by the SNU Trust.

GOVERNING DOCUMENTS

The SNU Trust is governed by Articles of Association, a copy of which can be obtained by contacting our office. The SNU Trust is registered at the Charity Commission (reg no 1182379), The Office of the Scottish Charity Regulator (reg no SCO49738) and with Company House (reg no 11382378).



The members of the Committee of Management during the year ended 31 December 2023 and to the date of this report were: -

T Coombe (Chairman)

K Smith

Minister P Seymour

J Barton

Minister M Hibbert

TRUSTEE-DIRECTORS' RESPONSIBILITIES

In preparing the Trustee-Directors' 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 directors to prepare financial statements for each financial year.

Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors 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 and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the directors are required to:

1. select suitable accounting policies and then apply them consistently;
2. observe the methods and principles in the Charities SORP FRS102;
3. make judgments and accounting estimates that are reasonable and prudent;
4. state whether applicable UK Accounting Standards have been followed, subject to any material departure disclosed and explained in the financial statements;
5. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustee-Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee-Director Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustee-Directors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and...
- the Trustee-Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustee-Directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

BY ORDER OF THE COMMITTEE
TIM COOMBE, CHAIR

Date: 27 April 2024

Principal address:
Burton End Lodge
Stansted Hall
Stansted
Essex
CM24 8UD

BOARD OF TRUSTEES SERVING DURING 2023

CHAIRMAN MR TREVOR CRITCHLEY *(to 24.12.23)*

TRUSTEE/DIRECTORS

MRS JANE BARTON

MINISTER MYRRHA HIBBERT

MINISTER PAT SEYMOUR *(from 24.10.23)*

MR TIMOTHY COOMBE

MR KENNETH SMITH

OUR STAFF

RESPONSIBLE FOR THE DAY-TO-DAY RUNNING OF THE CHARITY.

FINANCE MANAGER	LESLEY GILBEY
FINANCE ASSISTANT	JULIE ROGERS
FINANCE ADMINISTRATOR	NADINE YOUNG

AUDITORS

PRICE BAILEY LLP

TENNYSON HOUSE,
CAMBRIDGE BUSINESS PARK,
CAMBRIDGE
CB4 0WZ

BANKERS

NATWEST BANK PLC

7 NORTH STREET,
BISHOP'S STORTFORD,
HERTS
CM23 2TJ

CAMBRIDGE & COUNTIES BANK

CHARNWOOD COURT
5B NEW WALK
LEICESTER
LE1 6TE

ALDERMORE BANK

THE BROADGATE TOWER
20 PRIMROSE STREET
LONDON
EC2A 2EW

CLOSE BROTHERS GROUP

10 CROWN PLACE
LONDON
EC2A 4FT

SOLICITORS

BIRKETTS LLP

PROVIDENCE HOUSE
141 - 145 PRINCES STREET
IPSWICH
IP1 1QJ

STOCKBROKERS

QUILTER CHEVIOT

85 QUEEN VICTORIA STREET,
LONDON
EC4V 4AB

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES & MEMBERS OF SPIRITUALISTS' NATIONAL UNION TRUST

OPINION

We have audited the financial statements of Spiritualists' National Union Trust (the 'charity') for the year ended 31 December 2023 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 charity's affairs as at 31 December 2023, 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 Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and 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 trustees' 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 the audit:

- the information given in the trustees' report for the financial year 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in trustees' report.

We have nothing to report in respect of the following matters where the Charities Accounts (Scotland) Regulations 2006 (as amended) and 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 trustees' responsibilities statement, the trustees 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

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the charity and how it operates and considered the risk of the charity not complying with the applicable laws and regulations including fraud in particular those that could have a material impact on the financial statements. This included those regulations directly related to the financial statements. In relation to the charity this included employment law, financial reporting and health & safety.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

- Management override: We reviewed systems and procedures to identify potential areas of management override risk. In particular, we agreed the financial statements to the underlying trial balance and carried out testing of journal entries and other adjustments for appropriateness.
- We reviewed minutes of Trustee meetings agreeing the financial statement disclosures to underlying supporting documentation.
- We reviewed whether there has been any correspondence with the Charity Commission and made enquiries of management and officers of the charity regarding non-compliance with laws and regulations applicable to the organisation. We have also reviewed the procedures in place for the reporting of any incidents to the Trustee Board including serious incident reporting of these matters if necessary with the Charity Commission in England and Wales and in Scotland (OSCR).

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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx.

This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the charity's trustees and members, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and 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 trustees and 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 trustees and members as a body, for our audit work, for this report, or for the opinions we have formed.

Suzanne Goldsmith (Senior Statutory Auditor)
for and on behalf of
PRICE BAILEY LLP

Chartered Accountants
Statutory Auditors
Tennyson House
Cambridge Business Park
Cambridge
CB4 0WZ

Date: 18 June 2024

STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
For the year ended 31 December 2023

INCOME:	Notes	Total funds 2023 £	Total funds 2022 £
CHARITABLE ACTIVITIES:			
Interest on advances	2	19,165	21,228
Income from other trading activities:			
Management charges to SNU		64,928	49,175
INVESTMENTS:			
Income from investments	3	276,285	246,941
Rental income from investment properties		166,864	164,044
TOTAL INCOME		**527,242**	**481,388**
EXPENDITURE:			
Raising funds	4	56,524	56,566
Charitable activities:	5	404,396	323,558
TOTAL EXPENDITURE		**460,920**	**380,124**
Net income/(expenditure) for the year before investment gains		**66,322**	**101,264**
Net loss/gains on investments		692,188	(1,016,573)
Net income/(expenditure) for the year being net movement in funds		**758,510**	**(915,309)**
Reconciliation of funds:			
Total funds brought forward		3,207,012	4,122,321
TOTAL FUNDS CARRIED FORWARD		**3,965,522**	**3,207,012**

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.The notes on pages pages 53 to 69 form part of these accounts.

BALANCE SHEET
As at 31 December 2023

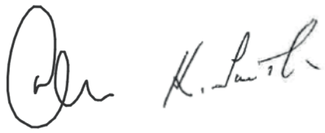
	Notes	2023 £	2022 £
Fixed assets			
TANGIBLE FIXED ASSETS:			
Freehold property	11	183,732	187,799
Computer equipment	11	920	1,652
Fixtures, fittings and equipment	11	2,519	2,932
INTANGIBLE FIXED ASSETS:			
Computer equipment	12	8,000	9,000
INVESTMENTS:			
Investments	15	7,498,938	6,860,733
Investment property	10	2,085,000	1,752,500
TOTAL FIXED ASSETS		**9,779,109**	**8,814,616**
Current assets			
Programme related investments	14	1,652,071	1,705,223
Sundry debtors	16	35,310	25,056
Cash at bank and in hand		1,624,761	1,404,405
TOTAL CURRENT ASSETS		**3,312,142**	**3,134,684**
Liabilities			
Creditors: amounts falling due within one year	17	(8,103,465)	(6,598,734)
NET CURRENT LIABILITIES		**(4,791,323)**	**(3,464,050)**
Total assets less current liabilities		**4,987,786**	**5,350,566**
Creditors: amounts falling due after more than one year	17	(1,022,264)	(2,143,554)
TOTAL NET ASSETS		**3,965,522**	**3,207,012**
The funds of the Trust:			
Unrestricted funds:			
General funds	18	250,000	225,000
Designated funds	18	2,773,086	2,372,076
Revaluation reserve	18	942,436	609,936
TOTAL FUNDS		**3,965,522**	**3,207,012**

BALANCE SHEET continued
As at 31 December 2023

The attached notes on pages pages 53 to 69 form part of these financial statements.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the Board of Trustees on 27 April 2024 and signed on their behalf by:



T. Coombe (Chair) | K. Smith (Secretary)

Registration No. 11382378 (England and Wales); Charity No. 1182379; Scottish Charity No: SC043897

CASHFLOW STATEMENT
For the year ended 31 December 2023

	Notes	2023	2022
		£	£
Cash Flows from Operating Activities			
Net cash (used in) / provided by operating activities	22	19,141	283,478
Cash Flows from Investing Activities			
Rental income received		166,864	164,044
Investment income received		276,285	246,941
Purchase of tangible fixed assets		-	-
Purchase of investments		(1,351,755)	(731,971)
Proceeds from the sale of investments		1,409,822	853,539
One Year Fixed Term Investment Purchase		(300,000)	-
Net Cash Flows from Investing Activities		**201,216**	**532,553**
Change in cash and cash equivalents in the year		220,357	816,031
Cash and Cash equivalents brought forward		1,404,404	588,374
Cash and cash equivalents carried forward	23	**1,624,761**	**1,404,405**

NOTES TO THE FINANCIAL STATEMENTS
As at 31 December 2023

1 - ACCOUNTING POLICIES

(1) Legal status of the Charity

The charity is a company limited by guarantee, with no share capital and is incorporated in England and Wales (registration number 11382378). It has registered with the Charity Commission in both England and Wales (charity number 1182379) and Scotland (charity number SCO43897). The registered office is Burton End Lodge, Stansted Hall, Stansted Mountfitchet, Essex, CM24 8UD.

In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

(2) Basis of preparation and assessment of going concern

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 (FRS 102) (effective 1January 2019), the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes. The accounts are stated in pound sterling and rounded to the nearest pound.

(3) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. Trustees have made the decision to invest some of the current assets over the years into listed investments and investment properties which provide a return, therefore giving rise to the charity showing negative net current liabilities. These can be sold should this become necessary to satisfy any debts.

The SNU Trust continues to consider forecasts and budgets to asses the ability of the charity to meet debts as they fall due. As such, they continue to adopt the going concern basis of accounts in the financial statements.

The Board has completed a comprehensive review and is confident of the SNU Trust's ability to continue as a going concern.

(4) Group accounts

The financial statements contain information about the Trust as an individual charity and do not consolidate the subsidiary undertaking, Higginson Securities Limited (a company limited by guarantee). As the subsidury is dormant and is not material to the group, the charity has taken account of the exemption not to prepare group accounts.

(5) Funds structure

Unrestricted funds comprise of funds which the Trustees are free to use for any purpose in the furtherance of the charitable objectives. The Trustees have created five designated funds to be used to support specific areas of the charity.

Further details of each fund are disclosed in note 18 and in the reserves policy note in the trustees' Annual Report.

NOTES TO THE FINANCIAL STATEMENTS continued

As at 31 December 2023

(6) Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity, this is normally upon 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. This is normally upon notification by the investment advisor of the dividend yield of the investment portfolio. Income from Government Securities is recognised when it is received. Income accrued and not received on these securities at 31 December is included in the market value of the investments held.

Rental income under operating leases is charged to the profit and loss accounts on a straight line basis over the terms of the lease.

(7) Expenditure

Expenditure is recognised once there is a legal or constructive obligation committing the charity to the expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Costs of raising funds include fees and charges for the management of the investment portfolio and an apportionment of support costs.

Expenditure on charitable activities includes interest paid on investor accounts, governance costs and an apportionment of support costs.

(8) Taxation and Irrecoverable VAT

The Trust is a registered charity and is exempt from corporate taxes, to the extent of operating within its charitable objectives. Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

(9) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the Trust's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated is determined by analysis of staff time sheets completed on a daily basis.

(10) Tangible fixed assets

Tangible and Intangible fixed assets costing more than £1000 are capitalised at cost and are depreciated over their estimated useful lives as follows:

Freehold property	2% straight line
Computer equipment	20% straight line (33.3% straight line in the prior year)
Database	10% straight line

All fixtures, fittings and equipment should be assessed on acquisition and their useful life defined. The asset should then be depreciated over its expected life on a straight-line basis. The remaining useful life of the asset must be reviewed at least every year.

The need for any impairment of a fixed asset write-down is considered if there is concern over the

carrying value of an asset and is assessed by comparing that carrying value against the value in use or realisable value of the asset when appropriate.

NOTES TO THE FINANCIAL STATEMENTS continued

As at 31 December 2023

(11) Investment properties

Investment properties are valued by the trustees at fair value and are not depreciated.

The statement of financial activities includes the net gains and losses arising on the revaluation and disposals throughout the year.

(12) Programme related investments – concessionary loans

Concessionary loans are initially recognised and measured at the amount paid, with the carrying amount adjusted in subsequent years to reflect repayments and any accrued interest and adjusted if necessary for any impairment. Any impairment losses are immediately recognised in the Statement of Financial Activities.

The Trust agrees advances to churches which are subject to agreements that are signed by the church for the full value of the advance as soon as the advance is agreed but funds are only drawn down by the church as required. Where the advance is for rebuilding or renovation costs the full value of the advance may not be drawn down in the same year as that in which the agreement is signed. In these cases, the value of the advance reported in the accounts is that which has been drawn down in the year not the full value of the advance.

(13) Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the bid price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Trust does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

(14) Debtors

Sundry debtors are recognised at the settlement amount due. Prepayments are valued at the amount repaid net of any trade discounts due.

(15) Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

(16) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

NOTES TO THE FINANCIAL STATEMENTS continued

As at 31 December 2023

(17) Financial instruments

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(19) Pension

Pension contributions to a defined contribution pension scheme are charged to the statement of financial activities as they occur. These contributions are invested separately from the Trust's assets.

2 - INTEREST ON ADVANCES

Interest on advances as received from the member churches of SNU are disclosed as charitable activities as they are fulfilling a primary purpose of the Trust.

3 - INVESTMENT INCOME

	2023 £	2022 £
Bank and other interest receivable	42,719	9,355
Income from listed investments	233,566	237,586
	276,285	**246,941**

Income from listed investments consists of:

	2023 £	2022 £
Income from Global equities	23,576	22,378
Income from UK equities	55,022	68,280
Income from UK fixed interest / bonds	37,050	22,485
Income from overseas equities	56,205	61,590
Income from overseas fixed interest	3,457	3,286
Income from alternative investments	53,044	58,332
Interest	5,212	1,235
	233,566	**237,586**

NOTES TO THE FINANCIAL STATEMENTS continued

As at 31 December 2023

4 - RAISING FUNDS

	2023 £	2022 £
Investment portfolio management fees	45,058	47,560
Bank charges and interest	1,167	929
Support costs and governance (note 6)	10,299	8,077
	56,524	**56,566**

All expenditure in the current and prior year relates to unrestricted funds.

5 - CHARITABLE ACTIVITIES

	2023 £	2022 £
Interest paid on investor deposits	161,156	135,075
Support costs (note 6)	241,512	188,253
Grants to Members	1,728	230
	404,396	**323,558**

Included within charitable activites are designated funds of £10,000 (2022: £10,000)

Grants to institutions

Included within charitable activities is a grants made to 1 church amounting to £1728 (2022: £230) as follows:

Moston Spiritualist Church

NOTES TO THE FINANCIAL STATEMENTS continued

As at 31 December 2023

6 - ALLOCATION OF SUPPORT COSTS

Current Year

Cost Type:	Basis of allocation £	Charitable activities £	Raising Funds £	Total 2023 £
GOVERNANCE:				
Auditor's remuneration	Direct	24,740	-	24,740
Management committee expenses	Direct	144	-	144
Trustees' indemnity insurance	Direct	285	-	285
AGM expenses	Direct	6,636	-	6,636
Legal & professional fees	Direct	10,690	-	10,690
		42,495	**-**	**42,495**
SUPPORT:				
Staff costs	Staff time	115,141	5,958	121,099
Staff training	Staff time	261	13	274
Depreciation	Staff time	5,906	306	6,212
Stationery and advertising	Staff time	1,747	90	1,837
Water rates	Staff time	68	4	72
Office expenses	Staff time	20,633	1,068	21,701
Telephone	Staff time	1,331	69	1,400
Postage	Staff time	187	10	197
Repairs and maintenance	Staff time	46,244	2,393	48,637
Light and heat	Staff time	2,661	138	2,799
Insurance	Staff time	4,838	250	5,088
		241,512	**10,299**	**251,811**

Prior Year

Cost Type:	Basis of allocation £	Charitable activities £	Raising Funds £	Total 2022 £
GOVERNANCE:				
Auditor's remuneration	Direct	23,100	-	23,100
Management committee expenses	Direct	144	-	144
Trustees' indemnity insurance	Direct	404	-	404
AGM expenses	Direct	2,938	-	2,938
Legal & professional fees	Direct	4,571	-	4,571
		31,157	**-**	**31,157**

NOTES TO THE FINANCIAL STATEMENTS continued

As at 31 December 2023

SUPPORT:				
Staff costs	Staff time	105,460	5,422	110,882
Staff training	Staff time	271	14	285
Depreciation	Staff time	9,687	498	10,185
Stationery and advertising	Staff time	7,119	366	7,485
Water rates	Staff time	60	3	63
Office expenses	Staff time	19,299	992	20,291
Telephone	Staff time	1,990	102	2,092
Postage	Staff time	37	2	39
Repairs and maintenance	Staff time	6,487	334	6,821
Light and heat	Staff time	1,860	96	1,956
Insurance	Staff time	4,826	248	5,074
		188,253	**8,077**	**196,330**

7 - NET INCOME/(EXPENDITURE):

Net income/(expenditure) is stated after charging:

	2023 £	2022 £
Auditor's remuneration	24,740	23,100
Depeciation	6,212	10,185

8 - STAFF EMOLUMENTS

	2023 £	2022 £
Wages and salaries	104,889	96,224
Social Security costs	10,710	10,036
Employer's contribution to defined contribution pension scheme (snote 9)	10,490	9,622
	126,089	**115,882**

The average number headcount of employees during the year was made up as follows:

	2023	2022
Office and administration	3	3

NOTES TO THE FINANCIAL STATEMENTS continued

As at 31 December 2023

No employees had emoluments in excess of £60,000 (2022: none).

The Trust considers its key management personnel comprise the Finance Manager and other Trust Staff as appropriate. This therefore includes all 3 members of staff and their aggregate remuneration as noted above. Included within other trading income is £64,928 (2022: £49,175) in relation to salaries recharged to other organisations during the year.

None of the trustees received any remuneration or benefits in kind from the Trust during the period (2022: £Nil).

Expenses relating to travel and subsistence for attendance at trustee meetings were reimbursed to 5 trustees (2022: 5) during the period and amounted to £6,363 (2022: £2,934).

During the period Trustees Indemnity Insurance was purchased for £285 (2022: £404).

9 - PENSION COSTS

The Trust operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Trust in an independently administered fund. Contributions payable by the Trust amounted to £10,490 (2022: £9,622). At the year end, contributions totalling £685 (2022: £732) remained outstanding and are included in sundry creditors.

10 - INVESTMENT PROPERTIES

Valuation	**2023 £**	**2022 £**
As at 1 January 2023	1,752,500	1,707,500
Revaluation	332,500	45,000
As at 31 December 2023	**2,085,000**	**1,752,500**

The properties were revalued on at 31 December 2023 by Neil Oxford MRICS of Christie & Co in accordance with the requirements of RICS Valuation-Professional Standards 2017 and FRS102.

NOTES TO THE FINANCIAL STATEMENTS continued

As at 31 December 2023

11 - TANGIBLE FIXED ASSETS

	Freehold property £	**Computer equipment £**	**Fixtures, fittings and equipment £**	**Total £**
COST				
As at 1 January 2023	203,333	20,660	4,692	228,685
Additions	-	-	-	-
Disposals	-	-	-	-
	203,333	**20,660**	**4,692**	**228,685**
DEPRECIATION				
As at 1 January 2023	15,534	19,008	1,760	36,302
Depreciation on Disposal	-	-	-	-
Charge for year	4,067	732	413	5,212
	19,601	**19,740**	**2,173**	**41,514**
NET BOOK VALUE				
At 31 December 2023	**183,732**	**920**	**2,519**	**187,171**
At 31 December 2022	**187,799**	**1,652**	**2,932**	**192,383**

12 - INTANGIBLE ASSETS

	Computer equipment £	**Total £**
COST		
As at 1 January 2023	33,120	33,120
Additions	-	-
	33,120	**33,120**
AMORTISATION		
As at 1 January 2023	24,120	24,120
Charge for year	1,000	1,000
	25,120	**25,120**
NET BOOK VALUE		
At 31 December 2023	**8,000**	**8,000**
At 31 December 2022	**9,000**	**9,000**

NOTES TO THE FINANCIAL STATEMENTS continued

As at 31 December 2023

13 - FIXED ASSET INVESTMENTS

The charity holds more than 20% of the share capital of the following company:

Higginson Securities Limited is a company limited by guarantee and incorporated in the United Kingdom. The company is dormant.

Cost Type:	Holding %	Capital and Reserves 2023 £	Profit/(Loss) for the year 2023 £
Higginson Securities Limited (company no: 04208575)	100	1	-

The financial statements contain information about the Trust as an individual charity and do not consolidate the subsidiary undertaking, Higginson Securities Limited (a company limited by guarantee), on the basis that it is a dormant company.

14 FIXED ASSET PROGRAMME RELATED INVESTMENTS

	2023 £	2022 £
PROPERTY - PALMERSTON PLACE		
Cost at 1 January	1,015,982	1,015,982
As at 31 December	**1,015,982**	**1,015,982**
CONCESSIONARY LOANS		
Cost at 1 January	689,241	741,354
Repayments	(53,152)	(52,113)
Cost at 31 December	636,089	689,241
Total Programme reated investments	**1,652,071**	**1,705,223**

All concessionary loans made by the Trust are charged interest at 3.75% and are secured by way of a first legal charge on the properties to which the loans relate. These relate to loans given to member churches of the SNU which are part of the charitable purposes of the Spiritualists' National Union Trust. There was one concessionary loans committed to or offered but not taken up at the period end to North Shield Spiritualists Church up to £50,000 (2022: £Nil).

For information:		
Loans due within one year	35,564	33,937
Loans due after more than one year	600,525	655,304
	636,089	**689,241**

NOTES TO THE FINANCIAL STATEMENTS continued

As at 31 December 2023

15 - INVESTMENTS

	2023 £	2022 £
MARKET VALUE		
At 1 January	6,860,733	7,947,487
Additions	1,351,755	731,971
	8,212,488	8,679,458
Disposals proceeds	(1,409,822)	(853,540)
Net gains / loss on investments	359,688	(1,016,573)
	7,162,354	6,764,345
Movements in cash accounts	36,584	96,388
One Year Fixed Term Investment Addition	300,000	-
Market value at 31 December	7,498,938	6,860,733
Historical cost at 31 December	**6,582,872**	**6,612,088**

Investments are allotted to each range as follows:	2023 £	2022 £
UK equities	1,518,214	1,508,364
UK fixed interest / bonds	976,369	768,751
Overseas fixed interest / bonds	61,583	112,396
Overseas equities	2,990,802	2,695,051
Alternative investments	714,470	950,854
Quilter Cheviot Investor Growth Fund	783,303	707,704
Cash	454,197	117,613
	7,498,938	**6,860,733**

All investments are held primarily for the purpose of providing an investment return.

NOTES TO THE FINANCIAL STATEMENTS continued

As at 31 December 2023

16 - DEBTORS

	2023 £	2022 £
Trade debtors	4,072	4,545
Other debtors	13,690	16,705
Prepayments and accrued income	17,548	3,806
	35,310	**25,056**

17 - CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Investors' balances:		
Deposit account	363,271	328,901
Investment accounts	4,992,544	5,080,507
Super accounts	59,706	59,117
95 Day Notice accounts	623,306	100,756
Fixed rate bonds	2,029,592	994,031
Regular saver plus accounts	5,651	7,293
Amounts held on behalf of Members	**8,074,070**	**6,570,605**
Trade creditors	835	3,428
Sundry creditors	1,158	1,192
Accruals	24,864	20,835
Tax and social security	2,538	2,674
	8,103,465	**6,598,734**

CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023 £	2022 £
Investor's Balances - Fixed Rate Accounts	1,022,264	2,143,554
	1,022,264	**2,143,554**

NOTES TO THE FINANCIAL STATEMENTS continued

As at 31 December 2023

18 - FUNDS: MOVEMENTS IN YEAR

CURRENT YEAR	1 January 2023 £	Income £	Expendture £	Transfers £	Gains/ (losses) £	31 Dec 2023 £
UNRESTRICTED FUNDS						
General overheads	225,000	341,213	(249,399)	(66,814)	-	250,000
DESIGNATED FUNDS						
Church deposits	1,212,519	-	-	(1,212,519)	-	-
Investments	915,261	-	-	(915,261)	-	-
Properties	233,794	-	-	(233,794)	-	-
Modernisation	502	-	-	(502)	-	-
Property Repairs & Maintenance	-	166,864	(48,637)	(58,227)	-	60,000
Members Disbursements	-	19,165	(161,156)	341,991	-	200,000
Contingency Fund	-	-	-	2,143,398	359,688	2,503,086
Investment Property Valuation Reserve	609,936	-	-	-	332,500	942,436
Ray Taylor Memorial Fund	10,000	-	(1,728)	1,728	-	10,000
	3,207,012	**527,242**	**(460,920)**	**-**	**692,188**	**3,965,522**

The Ray Taylor Memorial Fund is in memory of Ray Taylor, a former trustee of the previous unincorporated entity, further details can be found in the Trustees Annual Report.

NOTES TO THE FINANCIAL STATEMENTS continued

As at 31 December 2023

PRIOR PERIOD	1 January 2023 £	Income £	Expendture £	Transfers £	Gains/ (losses) £	31 Dec 2023 £
UNRESTRICTED FUNDS						
General Overheads	225,000	49,175	(325,956)	276,781	-	225,000
DESIGNATED FUNDS						
Church deposits	1,540,345	21,228	-	(349,054)	-	1,212,519
Investments	1,465,336	246,941	(47,560)	312,117	(1,061,573)	915,261
Properties	314,824	164,044	-	(245,074)	-	233,794
Modernisation	6,880	-	(6,378)	-	-	502
Ray Taylor Memorial	5,000	-	(230)	5,230	-	10,000
Investment property						
Valuation Reserve	564,936	-	-	-	45,000	609,936
	4,122,321	**481,388**	**(380,124)**	**-**	**(1,016,573)**	**3,207,012**

During the accounting period, the Board agreed a change in focus in the reserves policy which is reflected in the movements during the year. Further details can be found in the Trustees Annual Report.

Designated Fund – Charity Overheads

The General Fund will cover working capital for the SNU Trust for a 12-month period, currently £250,000 and representing 8.3% of the total Unrestricted Reserves and is reviewed annually at the December meeting of the SNU Trust to ensure that the level of the fund is set at an appropriate level.

Designated Fund – Members Disbursements

A designated fund should be set aside to cover for disbursements to members by way of credit interest and other payments during the course of the year.

Designated Fund – Property Costs

This designated fund makes allowance for the costs relating to properties owned by the SNU Trust for both investment purposes and as programme related investments.

Designated Fund – Ray Taylor Memorial Fund

The Ray Taylor Memorial Fund was established in memory of Ray Taylor, a former Trustee-Director of the SNU Trust, who was a proponent of churches facing financial hardship.

During 2023 the Board agreed to increase the available resource within the fund to £10,000.

Designated Fund – Contingency Fund

All remaining funds should be utilised to support the long-term future of the SNU Trust.

NOTES TO THE FINANCIAL STATEMENTS continued

As at 31 December 2023

19 - NET CURRENT ASSETS

CURRENT YEAR	Fixed Assets £	Net current assets / (liabilities) £	Creditors greater than one year £	Fund balance £
UNRESTRICTED FUNDS				
General Overheads	9,779,109	(8,506,845)	(1,022,264)	250,000
DESIGNATED FUNDS				
Property Repairs & Maintenance	-	60,000	-	60,000
Member Disbursements	-	200,000	-	200,000
Contingency Fund	-	2,503,086	-	2,503,086
Ray Taylor Memorial Fund	-	10,000	-	10,000
Investment Property Valuation Reserve	-	942,436	-	942,436
	9,779,109	**(4,791,323)**	**(1,022,264)**	**3,965,522**
PRIOR PERIOD				
UNRESTRICTED FUNDS				
General funds	7,665,561	(5,297,007)	(2,143,554)	225,000
DESIGNATED FUNDS				
Church deposits	-	1,212,519	-	1,212,519
Investments	915,261	-	-	915,261
Properties	233,794	-	-	233,794
Modernisation	-	502	-	502
Ray Taylor Memorial	-	10,000	-	10,000
Investment Property Valuation Reserve	-	609,936	-	609,936
	8,814,616	**(3,464,050)**	**(2,143,554)**	**3,207,012**

NOTES TO THE FINANCIAL STATEMENTS continued

As at 31 December 2023

20 - OPERATING LEASES

LESSOR:

At 31 December 2023 the Trust had agreed commitments as a lessor under non-cancellable operating leases to receive the receipts as follows:

	2023 £	2022 £
Investment Properties:		
Not later than one year	164,741	167,024
Later than one year and not later than five years	258,333	390,075
Greater than five years	528,000	561,000
	951,075	**1,118,099**

21 - RELATED PARTIES

During the year, some members of the SNU Trust Board were part of the member churches who undertook transactions with the SNU Trust. All of these transactions were part of the normal activities of the Trust and were not influenced or controlled by those members of the Board. There are no other related party transactions (2022: none).

22 - RECONCILATION OF NET INCOME TO NET CASHFLOW IN OPERATING ACTIVITIES

	2023 £	2022 £
Net Income	758,510	(915,309)
Adjusted for:		
Depreciation charges	6,212	10,185
Loss / gains on investments	(692,188)	1,016,573
Cash movement on investment portfolio	(36,584)	(96,388)
Dividends interest and rents from investments	(443,149)	(410,985)
Decrease (increase) in debtors	42,899	45,268
(Decrease)/Increase in creditors	383,441	634,134
Net cash provided by operating activities	**19,141**	**283,478**

NOTES TO THE FINANCIAL STATEMENTS continued

As at 31 December 2023

23 - ANALYSIS OF CASH AND CASH EQUIVALENTS

	2023 £	2022 £
Cash at hand	1,624,761	1,404,405
Total	**1,624,761**	**1,404,405**

24 - ANALYSIS OF NET DEBT

	At 1 Jan 2023 £	Cash flows £	Other non-cash changes £	At 31 Dec 2023 £
Cash and cash equivalents:				
Cash at bank and in hand	1,404,404	220,357	-	1,624,761
Total	**1,404,404**	**220,357**	**-**	**1,624,761**

NOTES

SPIRITUALISTS' NATIONAL UNION TRUST

England & Wales - Charity number 1182379

Accounts

ANNUAL REPORT

Report and Statement of Accounts 2022

SPIRITUALISTS NATIONAL UNION TRUST

Investing in Spiritualist Churches since 1926

www.snutrust.co.uk

CONTENTS

Report and Statement of Accounts 2022

MESSAGE FROM OUR CHAIRMAN 4

MINUTES OF THE 2022 SNU TRUST AGM 5

SNU TRUST ANNUAL REPORT 9

- About us 10
- Our aims & objectives / Public benefit statement 11
- 2022 financial review 12
- Assets of the SNU Trust 13
- Investment strategy, objectives & target / Over the last financial year / Over the longer term 14
- Management of the portfolio / Asset classes 2022 15
- Responsible investment / Property investments 16
- Palmerston place / Church deposits 17
- Reserves policy 18
- Trustee-directors 19
- Rebranding of the charity / Green loans 20
- Principle risks 21

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF SNU TRUST 27

TRUSTEES & STAFF 51

A MESSAGE FROM OUR CHAIRMAN

Dear Member

When I wrote this message 12 months ago I hoped that in 2023, the tone would be one of positivity and pleasure in the progress we had made during the last year. However, churches continue to be in the midst of one of the most challenging times that we can remember.

The lasting and ongoing impact of the Covid-19 pandemic, the war in Ukraine, rising inflation and the cost-of-living crisis is presenting you, our members with more financial difficulties at a time when we all hoped to be returning to some kind of "normality".

During this past year we have continued to ensure that our members receive the best possible rates on their funds invested with us, whilst holding steady the interest on loans for those who need our support. In addition, the charity has increased the resources available via the Ray Taylor Memorial Fund, and we would encourage members to apply for assistance should they experience financial difficulties.

As we continue through these uncertain times, it is more important than ever for the SNU Trust to continue to offer help and support, both financial and pastoral, to SNU churches, whenever and wherever we can. Despite dealing with these challenging times, Churches continue to show strength and ingenuity in tackling issues head on, and we will do everything we can to assist them in their endeavours.

To further assist the return to "normality", we are also pleased to confirm that the SNU Trust Annual General Meeting will be held in person at the Holiday Inn Norwich on the morning of Sunday 16 July 2023. We hope that as many of you as possible will be able to attend, however we would encourage those for whom it is not viable to be there, to submit their votes by proxy to ensure that all voices within the organisation are heard.

We look forward to once again, be welcoming you in person, in July.

TREVOR CRITCHLEY | CHAIRMAN

MINUTES OF THE ANNUAL GENERAL MEETING OF THE SNU TRUST

HELD ON SATURDAY 6th AUGUST 2022
AT THE BARBANELL CENTRE, STAFFORD 2pm

COMMITTEE OF MANAGEMENT:

COMMITTEE OF MANAGEMENT:

Trevor Critchley (Chairman) | Ken Smith
Jane Barton | Tim Smith | Minister Myrrha Hibbert

IN ATTENDANCE:

Lesley Gilbey

01

WELCOME

Trevor Critchley welcomed everyone to the Annual General Meeting and introduced the Board of Trustees.

CREDENTIAL REPORT

Proxy Forms Received	19
Representatives	13
Visitors	8
Total Voting Strength	32

02

APOLOGIES FOR ABSENCE

Ken Smith – Trustee
Suzanne Boyd-Wallis (Bitterne)
Julia Almond

03

APPOINTMENT OF TELLERS AND SCRUTINEERS

TELLERS:

Robert Dangerfield (Stourbridge)
Christine Hollis (Telford)

SCRUTINEERS:

Rita Jones (Broadgate Coventry)
Elaine Goodman (NLCDC)

04

MINUTES OF 2021 AGM - MOTION 1

That the draft minutes of the 2021 Annual General Meeting be approved.

Proposed:	Trevor Critchley
Seconded:	Minister Myrrha Hibbert

Adopted.

05

MATTERS ARISING FROM THE 2021 AGM MINUTES

None.

06

STATEMENT OF ACCOUNTS AND ANNUAL REPORT

Trevor Critchley presented the 2021 SNU Trust accounts to the Annual General Meeting. He explained that despite the impact of the pandemic, the accounts show a healthy surplus for the year due to a one-off special dividend paid by Tesco inflating the investment income for the year. In addition, the amount of interest paid out to member churches was reduced as the amount members hold on deposit with the charity has reduced during the pandemic.

The Trustees made the decision to make grants churches who have loans with the Trust funds to offset against the extra interest the charity earned because of the pandemic. The restricted Ray Taylor Memorial Fund has been utilised for this purpose and has been re-established as a Designated fund to allow the Board to uphold its commitment to add to the fund going forward.

The Board have been taking steps to find ways to pay over to members some of the surplus to help ease the burden that we are all facing at the moment. On 1 May 2022 rates were increased across all credit interest bearing accounts, including for the first time since 2008 on Deposit accounts. Trevor advised that the Board would continue to monitor the situation closely.

Trevor announced that in October, members will be offered the chance to apply for a 1-5-1 account.

MINISTER DAVID BRUTON (FUND OF BENEVOLENCE)

Minister Bruton asked for further information on the costs of raising funds. The Trust advised that the costs relate to investment management fees. Minister Bruton asked if the figure for church deposits quoted as part of the SNU Trust assets included deposits from the Spiritualist National Union (SNU), and if so, what the split was between churches and the SNU.

Lesley Gilbey confirmed that the figure includes both churches and SNU deposits, and that the information requested would be sent to Minister Bruton directly.

Minister asked for clarification of where cost of Palmerston Place sat in the SNU Trust's Balance Sheet. Lesley Gilbey informed the meeting that the cost is included as a Programme Related Investment.

MINUTES OF 2021 AGM - MOTION 2

THAT the draft annual report and accounts for the financial year ended 31 December 2021 be approved.

Proposed: Minister Jackie Wright (Spiritualists' National Union)
Seconded: Derek Jones (Broadgate Coventry)
Adopted.

07

APPOINTMENT OF AUDITORS MOTION 3

THAT Price Bailey be appointed as the auditors for the Trust for the forthcoming year, and THAT the auditors' remuneration shall be determined by the Trustees.

Proposed: Trevor Critchley (Spiritualists' National Union Trust)
Seconded: Danny Goodchild (Manchester District Council)
Adopted.

08

DECLARATION OF ELECTION

VALID NOMINATIONS RECEIVED:

Trevor Critchley	31
Ken Smith	31

There were no new validly nominated candidates and all remaining committee members were appointed for the coming year.

09

ANY OTHER BUSINESS

None.

10

DATE & VENUE OF 2023 AGM

8.15pm on the eve of the SNU AGM 2023 in Norwich.

SNU TRUST
ANNUAL REPORT

& FINANCIAL STATEMENTS FOR THE PERIOD ENDING 31 DECEMBER 2022

Registered in England and Wales No. 11382378
Charity No 1182379 (England & Wales)
Charity No SC049738 (Scotland)

ABOUT US

The Trustee-Directors have pleasure in presenting their Annual Report together with the audited financial statements for the charity for the period ended 31 December 2022 and confirm they comply with the Charities Act 2011, the Charities Statement of Recommended Practice second edition 2019 and FRS 102.

The Spiritualists National Union Trust (the SNU Trust) was founded in 1926 as a type of mutual building society for churches affiliated to the Spiritualists' National Union (SNU). The Trust operates independently of the SNU with its own Board of Trustee-Directors and supporting staff.

In May 2018 the SNU Trust became incorporated and took over the assets of the original SNU Trust, allowing us to continue the work of the previous entity whilst ensuring that our business model was fit for the 21st century. We have a team of three staff: a Finance Manager, a Finance Administrator, and an Accounts Assistant, who are responsible for the day-to-day running of the charity.

Overall responsibility for the Trust lies with the Board of five Trustee-Directors, supported by other professional advisors.

OUR AIMS & OBJECTIVES

Everything the SNU Trust does is governed by our charitable objects which set out the main purpose of the charity and what we aim to achieve.

We promote the advancement of SNU Spiritualism by providing financial support to SNU affiliated churches in three ways:

Offering accounts that pay competitive rates of interest

Give loans for new buildings or repair of existing ones

Award grants to help churches in need

The charity is aware that social and economic circumstances have changed considerably since the Trust was originally formed and not all churches are able to afford the costs involved in owning and maintaining their own premises.

The Trust therefore ensured that its objects allowed the organisation to purchase and make available properties by way of lease, this is an area that the board are keen to pursue in the coming years.

PUBLIC BENEFIT STATEMENT

The Trust has regard to the Charity Commission guidance on public benefit and how SNU churches exist to promote the seven principles of Spiritualism which encourages its followers to become socially responsible within the wider community.

The Trust, by financially supporting SNU Spiritualist churches, encourages a religious practice that leads to promoting spiritual welfare and improvement of society.

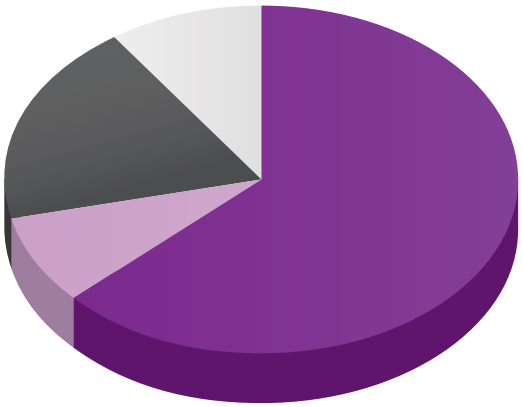
2022 FINANCIAL REVIEW

The SNU Trust derives its income from dividends paid on a portfolio of stocks and shares managed by Quilter Cheviot, rental income from properties, and management charges to the Spiritualists' National Union for accounting services. In addition, the charity charges interest on loans given to members however the interest earned makes up less than 5% of the total income of the charity.

Each year, interest paid out to members forms the largest cost for the SNU Trust. The Board meet quarterly and always review the credit interest paid on all accounts to ensure that the Trust remains competitive. All other expenses are carefully controlled, and we are always looking at ways to be more effective and efficient.

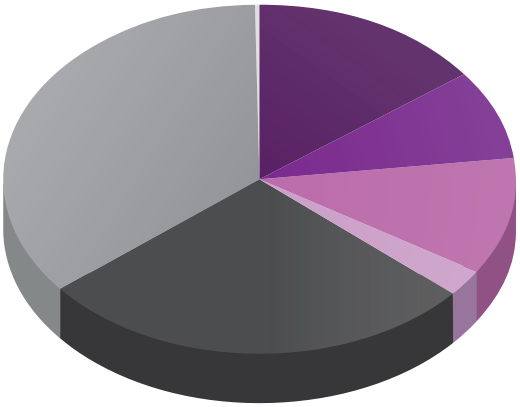
INCOME

Rental income	£164,044
Interest on Advances	£21,228
Management Charges to SNU	£49,175
Investment Income	£246,941
	£481,388



EXPENDITURE

Raising Funds	£56,566
Governance	£31,157
Other Support Costs	£41,678
Depreciation	£9,687
Staff Costs and Training	£105,731
Interest to investors	£135,075
Grants to members	£230
	£380,124



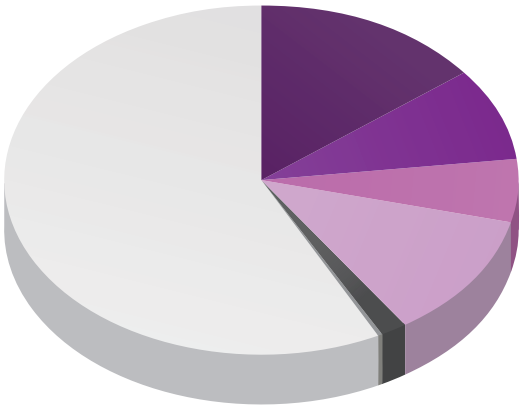
ASSETS OF THE SNU TRUST

The total assets of the SNU Trust are £11,949,300 and are held in various ways to ensure that the charity limits its exposure to financial risk.

The assets include members deposits and of the assets shown below, £8,742,288 relates to church deposits and sundry creditors leaving £3,207,012 in SNU Trust reserves.

ASSETS

Investment Property	£1,752,500
Property for Charitable purposes	£1,015,982
Loans to Members	£689,241
Cash	£1,404,405
Fixed Assets	£201,383
Sundry Debtors	£25,056
Investments	£6,860,733
	£11,949,300



INVESTMENT STRATEGY, OBJECTIVES & TARGET

The SNU Trust has a detailed investment policy that set out clear objectives and the parameters as to how we manage our reserves. The general principles are:

- To produce the best financial return within an acceptable level of risk
- To grow the capital of the portfolio over the long term as well as generating income
- To generate a return of inflation plus 3.5% pa over the long term, after expenses
- To adopt an exclusionary policy in respect of investments in Armaments
- To be mindful of being a responsible investor

OVER THE LAST FINANCIAL YEAR

2022 continued to be a challenging environment as the world, including the financial markets, adjusted to living with Covid. Other short-term concerns such as the war in Ukraine, significantly higher energy costs, inflation and the cost of living increases, as well as climate change, have all added to create challenging times for all of us. These conditions are expected to continue for some time yet however whilst the capital value of our portfolio has been under pressure, income has held up well and supports the interest we are able to pay to our members.

The investment income received during the accounting period increased by 10% on the previous year and the income forecast for 2023 is projected to be broadly in line with 2022.

OVER THE LONGER TERM

The Board's strategy is to take a longer term view and this means that moderate disruption to the capital value of our investment can be accepted in order to achieve our longer-term objectives.

Since 2017 the value of the portfolio has increased overall and importantly the income received totalling more than £1.17 million has enabled the charity to continue to support SNU churches.

MANAGEMENT OF THE PORTFOLIO

The SNU Trust continue to work closely with the charity's broker, Quilter Cheviot Investment Management, and during 2022 have met regularly with our account manager to assess and review the management and performance of the SNU Trust portfolio.

The charity receives quarterly valuation and performance reports in addition to information around how the Brokers are engaging with organisations to hold them to account on business decisions and strategy.

The cost of managing the portfolio by Quilters is calculated as a percentage of the value of the portfolio at the end of each month; Quilter Cheviot therefore have a vested interest in ensuring the maximum growth of the Trust's portfolio whilst ensuring that any investment adheres to the strict parameters laid out in the agreed Investment Policy.

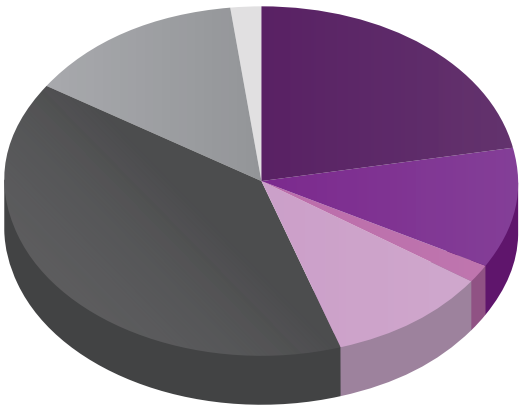
Quilter Cheviot is instructed to manage the portfolio on a discretionary basis and they are mindful of the objective of the portfolio at all times.

ASSET CLASSES 2022

To ensure that the risk is managed appropriately within the portfolio, we hold a diversified range of assets.

QUILTER CHEVIOT PORTFOLIOS

UK Equities	£1,508,364
UK Fixed Intrest/bonds	£768,751
Overseas fixed interest/bonds	£112,396
Quilter Cheviot Investor Growth Fund	£707,704
Overseas equities	£2,695,051
Alternative Investments	£950,854
Cash	£117,613
	£6,860,733



RESPONSIBLE INVESTMENT

Although the only specific exclusion in the investment policy relates to armaments, the Trust is always mindful to pay close attention to its responsibilities as investors. The Board ensure that our fund managers take environmental, social and governance (ESG) issues into account when making decisions about the charity's portfolio. These considerations, including details on engagement undertaken by Quilter Cheviot, form part of the regular reviews. As a charity, we believe in active engagement rather than divesting ourselves of holdings, this allows us to be part of the force for positive change.

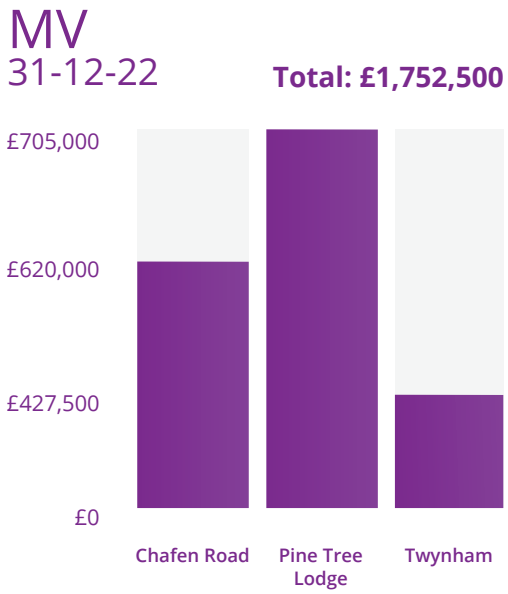
PROPERTY INVESTMENTS

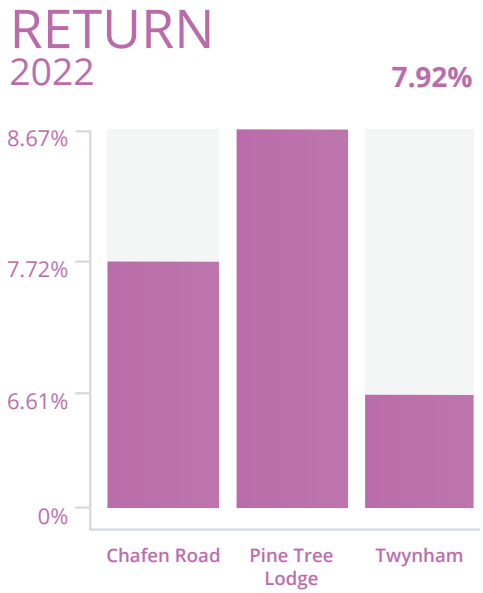
The SNU Trust own three properties in the south of England that are leased out on long terms agreements to Choice UK who provide assisted living for adults with learning disabilities and other long-term needs. The Trust is not involved in the management or operation of the homes.

The leases on all the care homes are full repairing leases and as such, Choice UK are responsible for all repairs, maintenance, and insurance of the properties. The SNU Trust incur no costs during the year relating to these properties.

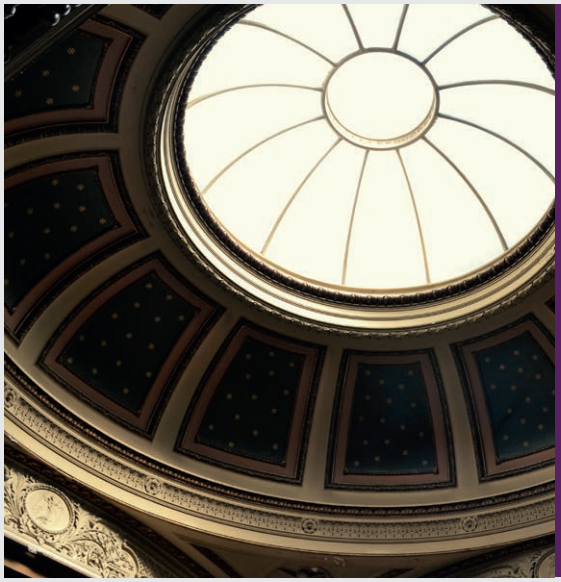
The Trust regularly appraises the market value of its investment properties to ensure an appropriate income return on investment and that the valuation of the investment properties accurately reflects their market value. In 2022, Philip Moses, of Moses Rutland Surveyors, reviewed the valuations of the buildings and the Trustee-Directors will continue to monitor the markets.

The SNU Trust continued to receive rental income of £135,150 from Choice UK which generates a return on Investment 7.71%





PALMERSTON PLACE



The SNU Trust owns a property in Edinburgh which, for ten years, has been home to both Edinburgh Association of Spiritualists and Palmerston Trust, a charity based in Scotland whose objects are based around the Seven Principles.

The property is held as a charitable investment and as such, the Board of the SNU Trust has scope to take into consideration the aims of the tenant when reviewing the investment as part of the Trust's wider portfolio.

The Trustee-Directors are mindful that whilst the rent charged to Palmerston Trust should be reflective of its core objects of the furtherance of spiritualism, it must be balanced against the need to ensure a return that would ultimately enable the charity to pass any financial benefit on to all members. The Board therefore continues to work towards obtaining a return equivalent to that expected by the SNU Trust from members' loans.

Both Palmerston Trust and Edinburgh Association are in year three of five-year agreements which incorporate annual rental uplifts which will result in a return on investment of 3.75% in the final year.

CHURCH DEPOSITS

Churches continue to experience financial pressure due to the rise in energy prices along with inflation however members have been working hard and there has been a net increase in member deposits of around 8% for the accounting period. This supports the anecdotal evidence from within the Trust office which daily receives calls painting an improving picture for SNU churches.

The Trust continues to provide support and advice for member and non-members, and through this interaction the SNU Trust has gained new investment from existing members, as well as new members. The Board would like to extend their thanks to those churches for their continued support.

Once again in 2022, the Board made available 1-5-1 accounts available to those members fortunate enough to be able to invest a further £1,000 with the Trust for one year. It was pleasing to see that 40 churches took advantage of the generous rate of 5%, an increase from 21 members in 2021.

Products and interest rates offered to churches are reviewed at each Trustee-Director meeting to ensure that the charity continues to encourage existing and new members to further invest with the Trust. The SNU Trust is aware of the importance of the income provided to churches by way of interest on any savings held and the Board is always mindful to hold up rates on credit balances whilst holding rates down on loans whenever possible to support members to the best of their ability.

RESERVES POLICY

The Board of the SNU Trust considers the Reserves Policy annually and have agreed the following policy for the accounting period 31 December 2022. The policy will be kept under review to ensure that it continues to be appropriate.

The SNU Trust have agreed that the charity's desired level of unrestricted reserves should be sufficient to enable the charity to continue its day-to-day activities whilst also providing comprehensive protection for members funds invested in the SNU Trust. At the year end the level of unrestricted funds was £2.597,076.

The Trustee-Directors have agreed that the current reserve should be divided into smaller funds targeting specific areas of activity of the charity. This will give comfort that in the event of unforeseen circumstances the SNU Trust has made provision to ensure the continuation of the SNU Trust in supporting Spiritualism.

GENERAL FUND

The General Fund will cover working capital for the SNU Trust for a 12-month period, currently £225,000 and representing 8.7% of the total Unrestricted Reserves and is reviewed annually at the December meeting of the SNU Trust to ensure that the level of the fund is set at an appropriate level.

DESIGNATED FUND - MODERNISATION

The Modernisation Fund is to support the costs relating to enhancement of marketing literature and other related expenses. It is anticipated that a fund of £502 will be sufficient for this purpose.

DESIGNATED FUND – CHURCH DEPOSITS

A designated fund should be set aside to provide cover for church deposits. The reserve has been set at 15% (2021 19.05%) of the total funds held by the Trust on behalf of all members with the intention to work towards increasing this percentage to eventually match the funds held on deposit by members.

DESIGNATED FUND – INVESTMENTS

Whilst the investment policy of the charity ensures that any risk is managed appropriately, the SNU Trust has taken the decision to set aside funds to provide protection for the charity in the event of a catastrophic market event which would threaten the investments held on behalf of the Trust by brokers and other financial organisations.

DESIGNATED FUND – INVESTMENT PROPERTIES

This designated fund provides protection against an irrecoverable downturn affecting all the Trust's investment properties. Each building has full insurance for all eventualities thereby ensuring that all steps are taken to minimise any risk.

DESIGNATED FUND – RAY TAYLOR MEMORIAL FUND

The Ray Taylor Memorial Fund was established in memory of Ray Taylor, a former Trustee-Director of the SNU Trust, who was a proponent of churches facing financial hardship. During 2022 the Board agreed to increase the available resource within the fund to £10,000.

TRUSTEE-DIRECTORS

The SNU Trust, like all voluntary bodies, continues to find it increasingly difficult to identify new Trustee-Directors to welcome on to the Board. The Trustee-Directors are mindful that this is something that has been a cause for concern for a number of years and it is a matter that is discussed at each meeting of the Board as this is a key risk which must be addressed.

The current Trustee-Directors are aware that in order to safeguard the future of the charity, it is important to encourage more people to get involved to ensure a continuous approach to growing the charity to support SNU churches in the future. In order to encourage members to think carefully about who to nominate to the Board in the coming year, member churches of the SNU Trust have been provided with information which outlines the key responsibilities of becoming a Trustee-Director along with the nomination form.

Whilst the SNU Trust is primarily focused on finance, there are other areas of qualification or experience required of Trustee-Directors which would be beneficial to the charity including legal, property or governance sectors. However, the Board recognises the value of any volunteer who would like to support the SNU and its affiliated churches and would be happy to lend time and experience to the organisation.

Trustee-Directors are elected by SNU Trust member churches for a period of two years, with half retiring in alternate years. The retiring Trustee-Directors can be re-nominated and serve for a maximum of eight consecutive years, unless the Trustee-Directors consider it would be in the best interests of the charity to continue to serve beyond that point, and that the Trustee-Director is appointed in accordance with the Articles.

Churches have been asked to consider if anyone of their members would be interested in becoming a Trustee-Director, or if they would like to gain a better understanding of what would be required in the role, they are encouraged to contact the SNU Trust Head Office and speak to **Lesley Gilbey**. Alternatively, **Trevor Critchley**, the Chair of the SNU Trust can be contacted directly.

(Details are available at the back of this brochure.)

REBRANDING OF THE CHARITY

Due to the global pandemic the SNU Trust delayed plans to move the charity forwards but in August 2022, the Board was pleased to unveil the new the Trust's new logo and website.

Current information relating to products and rates available to members, along with access to application forms are now available for all SNU churches. The site is regularly updated with the latest news and articles that may be of interest to everyone.

During the autumn the charity invited churches, members, and non-members, to take part in an online survey to help the Trust understand what churches think about the products and service offered to them.

Each participant was invited to enter their church into a prize draw and we are pleased to announce that the winner of £100 was Gravesend church.

The feedback we received will be looked at as part of the Trust's planning for the next year and churches' comments regarding the products offered, as well as the likelihood of them wanting to borrow from the SNU Trust, will help shape accounts going forwards.

Participants were invited to leave any thoughts, comments, and suggestions, and it was pleasing to see some really positive feedback.

GREEN LOANS

The Trustee-Directors have been working closely with the SNU to find ways to help churches finance Green initiatives without placing them under financial pressure.

As the SNU Trust operates under exemptions provided by the Financial Conduct Authority, the charity can only offer loans to members that are secured, this can be complex and costly and is therefore something that makes churches reluctant to apply for small sums.

The Board has found a solution that allows the SNU Trust to make loans whilst ensuring that the SNU Trust remains compliant with its legal and statutory responsibilities. We are now working on an application pack to enable SNU Trust members to access the finance.

The Trust hopes to be able to provide more information at the Annual General Meeting in July 2023.

PRINCIPLE RISKS

The SNU Trust assess all risks the charity may encounter at each meeting identifying the following as key risks.

RECRUITMENT OF NEW TRUSTEE-DIRECTORS

The identification and recruitment of new Trustee-Directors continues to be an urgent priority for the SNU Trust during 2023. There are currently five Trustee-Directors, four being the minimum required. Steps taken to address this matter have been outlined earlier in the report.

CONFLICT OF INTEREST

The Trust operates a register of interests for all Trustee-Directors and the Trust has developed and published a detailed policy on managing potential conflicts of interest and loyalty, a copy of which is published on our website and is available to download. This policy outlines the responsibility of Trustee-Directors when considering any potential conflict which may affect their ability to make a decision as part of their duty as Trustee-Director. At each meeting of Trustee-Directors, a complete record of current declarations is circulated to the attendees and Trustee-Directors are asked to declare any changes in their register of interests and loyalty; the register includes details of membership of SNU Committees, Churches, allied Trusts and any contractual involvement that Trustee-Directors might have with members of the Trust.

A Trustee-Director will withdraw from any discussion or decision-making in respect of any matter in which a conflict of interest may arise.

DISASTER RECOVERY PLAN

The SNU Trust has a comprehensive disaster recovery plan which is a documented, structured set of instructions to allow the Trust to respond to unplanned incidents and have the ability to continue to operate or quickly resume critical functions. The plan is accessible to all staff and Trustee-Directors and is constantly under review.

PRINCIPLE RISKS continued

DATA SECURITY

The Trustee-Directors have taken steps to ensure that the integrity of the data and documents held by the Trust will not be compromised. Computer data is securely backed up both on and off site and its reliability is tested as part of the Trust's Disaster Recovery Plan. Important documents are kept in a fireproof safe.

FRAUD PREVENTION

The SNU Trust has adopted the Internal Financial Controls for Charities Guidance (CC8) provided by the Charity Commission to ensure that essential checks and procedures are completed to ensure that the Trust meets their legal duties to safeguard the charity's assets.

Additional measures have been implemented designed to ensure that members funds are only used for their intended purposes; the signatory mandates which are sent out to members annually have been reviewed and updated to include changes which will give further protection.

FUNDRAISING COMPLIANCE

The Charity understands its duty to protect the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate.

The SNU Trust does not raise any funds from the general public and can confirm that no internal resources are used for this purpose. In addition, the charity does not commission a professional fund-raiser/commercial participator for fundraising.

The charity is not subject to an undertaking to be bound by any voluntary scheme for regulating fund-raising, or voluntary standard for fund-raising in respect of activities on behalf of the charity.

The SNU Trust has adopted principals of GDPR legislation and also has policies to protect the data of members of the public.

The Board confirms that no complaints were received during the year about activities for the purpose of fund-raising.

PRINCIPLE RISKS continued

CUSTODIAN TRUSTEE-DIRECTOR

The purpose of Higginson Securities Limited is to hold the legal charges in favour of the charity relating to members' secured loans owed to the SNU Trust. Going forwards, any legal charges acquired after May 2019 will be held by the SNU Trust and when all historic charges are released, Higginson Securities Limited will be wound up.

All title deeds relating to properties owned by the Trust are held by the SNU Trust.

GOVERNING DOCUMENTS

The SNU Trust is governed by Articles of Association, a copy of which can be obtained by contacting our office. The SNU Trust is registered at the Charity Commission (reg no 1182379), The Office of the Scottish Charity Regulator (reg no SCO49738) and with Company House (reg no 11382378).

The members of the Committee of Management during the year ended 31 December 2022 and to the date of this report were: -

T. Critchley (Chairman)

K. Smith

T Coombe

J Barton

Minister M Hibbert

TRUSTEE-DIRECTORS' RESPONSIBILITIES

In preparing the Trustee-Directors' 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 directors to prepare financial statements for each financial year.

Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors 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 and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the directors are required to:

1. select suitable accounting policies and then apply them consistently;
2. observe the methods and principles in the Charities SORP FRS102;
3. make judgments and accounting estimates that are reasonable and prudent;
4. state whether applicable UK Accounting Standards have been followed, subject to any material departure disclosed and explained in the financial statements;
5. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustee-Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee-Director Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustee-Directors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and the Trustee-Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustee-Directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

BY ORDER OF THE COMMITTEE
T CRITCHLEY, CHAIR

Date: 19 April 2023

Principal address:
Burton End Lodge
Stansted Hall
Stansted
Essex
CM24 8UD

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES & MEMBERS OF SPIRITUALISTS' NATIONAL UNION TRUST

OPINION

We have audited the financial statements of Spiritualists' National Union Trust (the 'charity') for the year ended 31 December 2022 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 charity's affairs as at 31 December 2022, 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 Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and 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 trustees' 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 the audit:

- the information given in the trustees' report for the financial year 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in trustees' report.

We have nothing to report in respect of the following matters where the Charities Accounts (Scotland) Regulations 2006 (as amended) and 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 trustees' responsibilities statement, the trustees 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

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the charity and how it operates and considered the risk of the charity not complying with the applicable laws and regulations including fraud in particular those that could have a material impact on the financial statements. This included those regulations directly related to the financial statements. In relation to the charity this included employment law, financial reporting and health & safety.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

- Management override: We reviewed systems and procedures to identify potential areas of management override risk. In particular, we agreed the financial statements to the underlying trial balance and carried out testing of journal entries and other adjustments for appropriateness.
- We reviewed minutes of Trustee meetings agreeing the financial statement disclosures to underlying supporting documentation.
- We reviewed whether there has been any correspondence with the Charity Commission and made enquiries of management and officers of the charity regarding non-compliance with laws and regulations applicable to the organisation. We have also reviewed the procedures in place for the reporting of any incidents to the Trustee Board including serious incident reporting of these matters if necessary with the Charity Commission with the Charity Commission in England and Wales and in Scotland (OSCR).
- We reviewed the process regarding the Trustees' consideration of the risk register, including consideration of data protection.

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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx. This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the charity's trustees and members, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and 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 trustees and 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 trustees and members as a body, for our audit work, for this report, or for the opinions we have formed.

Helena Wilkinson BSc FCA DChA (Senior Statutory Auditor)
for and on behalf of PRICE BAILEY LLP

Date: 17 May 2023

Chartered Accountants | Statutory Auditors
Tennyson House, Cambridge Business Park, Cambridge CB4 0WZ

STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
For the year ended 31 December 2022

INCOME:	Notes	Total funds 2022 £	Total funds 2021 £
CHARITABLE ACTIVITIES:			
Interest on advances	2	21,228	22,713
Income from other trading activities:			
Management charges to SNU		49,175	50,281
INVESTMENTS:			
Income from investments	3	246,941	216,926
Rental income from investment properties		164,044	161,068
TOTAL INCOME		**481,388**	**450,988**
EXPENDITURE:			
Raising funds	4	56,566	46,000
Charitable activities:	5	323,558	309,767
TOTAL EXPENDITURE		**380,124**	**355,767**
Net income/(expenditure) for the year before investment gains		**101,264**	**95,221**
Net loss/gains on investments		(1,016,573)	850,547
Net income/(expenditure) for the year being net movement in funds		**(915,309)**	**945,768**
Reconciliation of funds:			
Total funds brought forward		4,122,321	3,176,553
TOTAL FUNDS CARRIED FORWARD		**3,207,012**	**4,122,321**

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.The notes on pages 34 to 49 form part of these accounts.

BALANCE SHEET

As at 31 December 2022

	Notes	2022	2021
		£	£
Fixed assets			
TANGIBLE FIXED ASSETS:			
Freehold property	11	187,799	191,866
Computer equipment	11	1,652	6,301
Fixtures, fittings and equipment	11	2,932	3,401
INTANGIBLE FIXED ASSETS:			
Computer equipment	12	9,000	10,000
INVESTMENTS:			
Investments	15	6,860,733	7,947,487
Investment property	10	1,752,500	1,707,500
TOTAL FIXED ASSETS		**8,814,616**	**9,866,555**
Current assets			
Programme related investments	14	1,705,223	1,757,336
Sundry debtors	16	25,056	18,211
Cash at bank and in hand		1,404,405	588,374
TOTAL CURRENT ASSETS		**3,134,684**	**2,363,921**
Liabilities			
Creditors: amounts falling due within one year	17	(6,598,734)	**(6,151,580)**
NET CURRENT LIABILITIES		**(3,464,050)**	**(3,787,659)**
Total assets less current liabilities		**5,350,566**	**6,078,896**
Creditors: amounts falling due after more than one year	17	(2,143,554)	(1,956,575)
TOTAL NET ASSETS		**3,207,012**	**4,122,321**
The funds of the Trust:			
Unrestricted funds:			
General funds	18	225,000	225,000
Designated funds	18	2,372,076	3,332,385
Revaluation reserve	18	609,936	564,936
TOTAL FUNDS		**3,207,012**	**4,122,321**

BALANCE SHEET continued

As at 31 December 2022

The attached notes on pages 34 to 49 form part of these financial statements.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the Board of Trustees on 19 April 2023 and signed on their behalf by:

T. Critchley (Chair) | K. Smith (Secretary)

Registration No. 11382378 (England and Wales); Charity No. 1182379; Scottish Charity No: SC043897

CASHFLOW STATEMENT

As at 31 December 2022

	Notes	2022 £	2021 £
Cash Flows from Operating Activities			
Net cash (used in) / provided by operating activities	22	283,478	(774,043)
Cash Flows from Investing Activities			
Rental income received		164,044	161,068
Investment income received		246,941	216,926
Purchase of tangible fixed assets		-	(4,954)
Purchase of investments		(731,971)	(769,117)
Proceeds from the sale of investments		853,539	634,075
Net Cash Flows from Investing Activities		**532,553**	**237,998**
Change in cash and cash equivalents in the year		816,031	(536,045)
Cash and Cash equivalents brought forward		588,374	1,124,419
Cash and cash equivalents carried forward	23	**1,404,405**	**588,374**

NOTES TO THE FINANCIAL STATEMENTS

As at 31 December 2022

1 - ACCOUNTING POLICIES

(a) Legal status of the Charity

The charity is a company limited by guarantee, with no share capital and is incorporated in England and Wales (registration number 11382378). It has registered with the Charity Commission in both England and Wales (charity number 1182379) and Scotland (charity number SCO43897). The registered office is Burton End Lodge, Stansted Hall, Stansted Mountfitchet, Essex, CM24 8UD.

In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

(b) Basis of preparation and assessment of going concern

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 (FRS 102) (effective 1January 2019), the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes. The accounts are stated in pound sterling and rounded to the nearest pound.

(c) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. Trustees have made the decision to invest some of the current assets over the years into listed investments and investment properties which provide a return, therefore giving rise to the charity showing negative net current liabilities. These can be sold should this become necessary to satisfy any debts.

The SNU Trust continues to consider forecasts and budgets to asses the ability of the charity to meet debts as they fall due. As such, they continue to adopt the going concern basis of accounts in the financial statements.

The SNU Trust is cognisant that the threat of Covid-19 and the restrictions placed on the nation has, and will continue to have, an impact on the running of the charity. The Board has completed a comprehensive review and is confident of the SNU Trust's ability to continue as a going concern.

(d) Group accounts

The financial statements contain information about the Trust as an individual charity and do not consolidate the subsidiary undertaking, Higginson Securities Limited (a company limited by guarantee). As the subsidury is dormant and is not material to the group, the charity has taken account of the exemption not to prepare group accounts.

(e) Funds structure

Unrestricted funds comprise of funds which the Trustees are free to use for any purpose in the furtherance of the charitable objectives. The Trustees have created six designated funds to be used to support specific areas of the charity.

Further details of each fund are disclosed in note 18.

NOTES TO THE FINANCIAL STATEMENTS continued

As at 31 December 2022

(f) Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity, this is normally upon 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. This is normally upon notification by the investment advisor of the dividend yield of the investment portfolio. Income from Government Securities is recognised when it is received. Income accrued and not received on these securities at 31 December is included in the market value of the investments held.

Rental income under operating leases is charged to the profit and loss accounts on a straight line basis over the terms of the lease.

(g) Expenditure

Expenditure is recognised once there is a legal or constructive obligation committing the charity to the expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Costs of raising funds include fees and charges for the management of the investment portfolio and an apportionment of support costs.

Expenditure on charitable activities includes interest paid on investor accounts, governance costs and an apportionment of support costs.

(h) Taxation and Irrecoverable VAT

The Trust is a registered charity and is exempt from corporate taxes, to the extent of operating within its charitable objectives. Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

(i) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the Trust's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated is determined by analysis of staff time sheets completed on a daily basis.

(j) Tangible fixed assets

Tangible and Intangible fixed assets costing more than £500 are capitalised at cost and are depreciated over their estimated useful lives as follows:

Freehold property	2% straight line
Computer equipment	33.3% straight line
Database	10% straight line
Fixtures, fittings and equipment	10% - 20% straight line

The need for any impairment of a fixed asset write-down is considered if there is concern over the carrying value of an asset and is assessed by comparing that carrying value against the value in use or realisable value of the asset when appropriate.

NOTES TO THE FINANCIAL STATEMENTS continued

As at 31 December 2022

(k) Investment properties

Investment properties are valued by the trustees at fair value and are not depreciated.

The statement of financial activities includes the net gains and losses arising on the revaluation and disposals throughout the year.

(l) Programme related investments – concessionary loans

Concessionary loans are initially recognised and measured at the amount paid, with the carrying amount adjusted in subsequent years to reflect repayments and any accrued interest and adjusted if necessary for any impairment. Any impairment losses are immediately recognised in the Statement of Financial Activities.

The Trust agrees advances to churches which are subject to agreements that are signed by the church for the full value of the advance as soon as the advance is agreed but funds are only drawn down by the church as required. Where the advance is for rebuilding or renovation costs the full value of the advance may not be drawn down in the same year as that in which the agreement is signed. In these cases, the value of the advance reported in the accounts is that which has been drawn down in the year not the full value of the advance.

(m) Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the bid price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Trust does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

(n) Debtors

Sundry debtors are recognised at the settlement amount due. Prepayments are valued at the amount repaid net of any trade discounts due.

(o) Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

(p) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

NOTES TO THE FINANCIAL STATEMENTS continued

As at 31 December 2022

(q) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Fixed assets are recognised at cost less depreciation and investments are recognised at their fair value being the market value, all other assets and liabilities are measured at cost being their fair value and are disclosed in note 15.

(r) Pension

Pension contributions to a defined contribution pension scheme are charged to the statement of financial activities as they occur. These contributions are invested separately from the Trust's assets.

2 - INTEREST ON ADVANCES

Interest on advances as received from the member churches of SNU are disclosed as charitable activities as they are fulfilling a primary purpose of the Trust.

3 - INVESTMENT INCOME

	2022 £	2021 £
Bank and other interest receivable	9,355	2,201
Income from listed investments	237,586	214,725
	246,941	**216,926**

Income from listed investments consists of:

	2022 £	2021 £
Income from Global equities	22,378	20,891
Income from UK equities	68,280	79,908
Income from UK fixed interest / bonds	22,485	15,633
Income from overseas equities	61,590	40,600
Income from overseas fixed interest	3,286	6,336
Income from alternative investments	58,332	51,357
Interest	1,235	-
	237,586	**214,725**

NOTES TO THE FINANCIAL STATEMENTS continued

As at 31 December 2022

4 - RAISING FUNDS

	2022 £	2021 £
Investment portfolio management fees	47,560	38,415
Bank charges and interest	929	676
Support costs and governance (note 6)	8,077	6,909
	56,566	**46,000**

All expenditure in the current and prior year relates to unrestricted funds.

5 - CHARITABLE ACTIVITIES

	2022 £	2021 £
Interest paid on investor deposits	135,075	111,794
Support costs (note 6)	188,253	192,233
Grants to Members	230	5,740
	323,558	**309,767**

Included within charitable activites are designated funds of £10,000 (2021: £4,783)

Grants to institutions

Included within charitable activities is a grants made to 1 church amounting to £230 (2021: £5,740) as follows:

Little Ilford Spiritualist Church

NOTES TO THE FINANCIAL STATEMENTS continued

As at 31 December 2022

6 - ALLOCATION OF SUPPORT COSTS

Current Year

Cost Type:	Basis of allocation £	Charitable activities £	Raising Funds £	Total 2022 £
GOVERNANCE:				
Auditor's remuneration	Direct	23,100	-	23,100
Management committee expenses	Direct	144	-	144
Trustees' indemnity insurance	Direct	404	-	404
AGM expenses	Direct	2,938	-	2,938
Legal & professional fees	Direct	4,571	-	4,571
		31,157	**-**	**31,157**
SUPPORT:				
Staff costs	Staff time	105,460	5,422	110,882
Staff training	Staff time	271	14	285
Depreciation	Staff time	9,687	498	10,185
Stationery and advertising	Staff time	7,119	366	7,485
Water rates	Staff time	60	3	63
Office expenses	Staff time	19,299	992	20,291
Equipment rental	Staff time	-	-	-
Telephone	Staff time	1,990	102	2,092
Postage	Staff time	37	2	39
Repairs and maintenance	Staff time	6,487	334	6,821
Light and heat	Staff time	1,860	96	1,956
Insurance	Staff time	4,826	248	5,074
		188,253	**8,077**	**196,330**

Prior Year

Cost Type:	Basis of allocation £	Charitable activities £	Raising Funds £	Total 2021 £
GOVERNANCE:				
Auditor's remuneration	Direct	21,420	-	21,420
Management committee expenses	Direct	419	-	419
Trustees' indemnity insurance	Direct	370	-	370
AGM expenses	Direct	2,321	-	2,321
Legal & professional fees	Direct	4,382	-	4,382
		28,912	**-**	**28,912**

NOTES TO THE FINANCIAL STATEMENTS continued

As at 31 December 2022

SUPPORT:				
Staff costs	Staff time	102,092	4,320	106,412
Staff training	Staff time	261	11	272
Depreciation	Staff time	22,059	933	22,992
Stationery and advertising	Staff time	950	40	990
Water rates	Staff time	58	2	60
Office expenses	Staff time	20,000	846	20,846
Equipment rental	Staff time	-	-	-
Telephone	Staff time	1,200	51	1,251
Postage	Staff time	105	4	109
Repairs and maintenance	Staff time	11,383	482	11,865
Light and heat	Staff time	2,347	99	2,446
Insurance	Staff time	2,866	121	2,987
		192,233	**6,909**	**199,142**

7 - NET INCOME/(EXPENDITURE):

Net income/(expenditure) is stated after charging:

	2022 £	2021 £
Auditor's remuneration - audit services	23,100	21,000
Auditor's remuneration - accountancy	-	420
Depeciation	10,185	22,992

8 - STAFF EMOLUMENTS

	2022 £	2021 £
Wages and salaries	96,224	92,138
Social Security costs	10,036	9,060
Employer's contribution to defined contribution pension scheme (snote 9)	9,622	9,214
	115,882	**110,412**

NOTES TO THE FINANCIAL STATEMENTS continued

As at 31 December 2022

The average number headcount of employees during the year was made up as follows:

	2022	2021
Office and administration	3	3

No employees had emoluments in excess of £60,000 (2021: none).

The Trust considers its key management personnel comprise the Finance Manager and other Trust Staff as appropriate. This therefore includes all 3 members of staff and their aggregate remuneration as noted above. Included within other trading income is £49,175 (2021: £50,281) in relation to salaries recharged to other organisations during the year.

None of the trustees received any remuneration or benefits in kind from the Trust during the period (2021: £Nil).

Expenses relating to travel and subsistence for attendance at trustee meetings were reimbursed to 5 trustees (2021: 4) during the period and amounted to £572 (2021:nil).

During the period Trustees Indemnity Insurance was purchased for £404 (2021: £370).

9 - PENSION COSTS

The Trust operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Trust in an independently administered fund. Contributions payable by the Trust amounted to £9,622 (2021: £9,214). At the year end, contributions totalling £732 (2021: £625) remained outstanding and are included in sundry creditors.

10 - INVESTMENT PROPERTIES

Valuation	**2022 £**	**2021 £**
As at 1 January 2022	1,707,500	1,707,500
Revaluation	45,000	-
As at 31 December 2022	**1,752,500**	**1,707,500**

The properties were revalued on 31 December 2022 by Philip Moses MRICS of Moses Rutland Chartered Surveyors in accordance with the requirements of RICS Valuation-Professional Standards 2017 and FRS102.

NOTES TO THE FINANCIAL STATEMENTS continued

As at 31 December 2022

11 - TANGIBLE FIXED ASSETS

	Freehold property £	Computer equipment £	Fixtures, fittings and equipment £	Total £
COST				
As at 1 January 2022	203,333	20,901	4,692	228,926
Additions	-	-	-	-
Disposals	-	(241)	-	(241)
	203,333	**20,660**	**4,692**	**228,685**
DEPRECIATION				
As at 1 January 2022	11,467	14,600	1,291	27,358
Depreciation on Disposal	-	(241)	-	(241)
Charge for year	4,067	4,649	469	9,185
	15,534	**19,008**	**1,760**	**36,302**
NET BOOK VALUE				
At 31 December 2022	**187,799**	**1,652**	**2,932**	**192,383**
At 31 December 2021	**191,866**	**6,301**	**3,401**	**201,568**

12 - INTANGIBLE ASSETS

	Computer equipment £	Total £
COST		
As at 1 January 2022	33,120	33,120
Additions	-	-
	33,120	**33,120**
AMORTISATION		
As at 1 January 2022	23,120	23,120
Charge for year	1,000	1,000
	24,120	**24,120**
NET BOOK VALUE		
At 31 December 2022	**9,000**	**9,000**
At 31 December 2021	**10,000**	**10,000**

NOTES TO THE FINANCIAL STATEMENTS continued

As at 31 December 2022

13 - FIXED ASSET INVESTMENTS

The charity holds more than 20% of the share capital of the following company:

Higginson Securities Limited is a company limited by guarantee and incorporated in the United Kingdom. The company is dormant.

Cost Type:	Holding %	Capital and Reserves 2022 £	Profit/(Loss) for the year 2022 £
Higginson Securities Limited (company no: 04208575)	100	1	-

The financial statements contain information about the Trust as an individual charity and do not consolidate the subsidiary undertaking, Higginson Securities Limited (a company limited by guarantee), on the basis that it is a dormant company.

14 FIXED ASSET PROGRAMME RELATED INVESTMENTS

	2022 £	2021 £
PROPERTY - PALMERSTON PLACE		
Cost at 1 January	1,015,982	1,015,982
As at 31 December	**1,015,982**	**1,015,982**
CONCESSIONARY LOANS		
Cost at 1 January	741,354	772,402
Repayments	(52,113)	(31,048)
Cost at 31 December	689,241	741,354
Total Programme reated investments	**1,705,223**	**1,757,336**

All concessionary loans made by the Trust are charged interest at 3.75% and are secured by way of a first legal charge on the properties to which the loans relate. These relate to loans given to member churches of the SNU which are part of the charitable purposes of the Spiritualists' National Union Trust. There were no concessionary loans committed to or offered but not taken up at the period end (2021: £Nil).

For information:		
Loans due within one year	33,937	35,959
Loans due after more than one year	655,304	705,395
Total Programme reated investments	**689,241**	**741,354**

NOTES TO THE FINANCIAL STATEMENTS continued

As at 31 December 2022

15 - INVESTMENTS

	2022 £	2021 £
MARKET VALUE		
At 1 January	7,947,487	7,114,453
Additions	731,971	769,117
	8,679,458	7,883,570
Disposals proceeds	(853,540)	(634,075)
Realised loss / gains on investments	(170,424)	39,646
Unrealised loss / gains on investments	(891,149)	810,901
Movements in cash accounts	6,764,345 96,388	8,100,042 (152,555)
Market value at 31 December	6,860,733	7,947,487
Historical cost at 31 December	**6,612,088**	**6,487,449**

Investments are allotted to each range as follows:	2022 £	2021 £
UK equities	1,508,364	1,865,573
UK fixed interest / bonds	768,751	853,668
Overseas fixed interest / bonds	112,396	-
Overseas equities	2,695,051	3,223,021
Alternative investments	950,854	1,180,195
Quilter Cheviot Investor Growth Fund	707,704	803,805
Cash	117,613	21,225
	6,860,733	**7,947,787**

All investments are held primarily for the purpose of providing an investment return.

NOTES TO THE FINANCIAL STATEMENTS continued

As at 31 December 2022

16 - DEBTORS

	2022 £	2021 £
Trade debtors	4,545	3,715
Other debtors	16,705	10,851
Prepayments and accrued income	3,806	3,645
	25,056	**18,211**

17 - CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Investors' balances:		
Deposit account	328,901	231,739
Investment accounts	5,080,507	4,595,323
Super accounts	59,117	63,809
95 Day Notice accounts	100,756	-
Fixed rate bonds	994,031	1,218,333
Regular saver plus accounts	7,293	17,353
	6,570,605	**6,126,557**
Trade creditors	3,428	1,905
Sundry creditors	1,192	770
Accruals	20,835	20,052
Tax and social security	2,674	2,296
	6,598,734	**6,151,580**

CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022 £	2021 £
Investor's Balances - Fixed Rate Bonds	2,143,554	1,956,575
	2,143,554	**1,956,575**

NOTES TO THE FINANCIAL STATEMENTS continued

As at 31 December 2022

18 - FUNDS: MOVEMENTS IN YEAR

CURRENT YEAR	1 January 2022 £	Income £	Expendture £	Transfers £	Gains/ (losses) £	31 Dec 2022 £
UNRESTRICTED FUNDS						
General funds	225,000	49,175	(325,956)	276,781	-	225,000
DESIGNATED FUNDS						
Church deposits	1,540,345	21,228	-	(349,054)	-	1,212,519
Investments	1,465,336	246,941	(47,560)	312,117	(1,061,573)	915,261
Properties	314,824	164,044	-	(245,074)	-	233,794
Modernisation	6,880	-	(6,378)	-	-	502
Ray Taylor Memorial	5,000	-	(230)	5,230	-	10,000
Investment property Valuation Reserve	564,936	-	-	-	45,000	609,936
	4,122,321	**481,388**	**(380,124)**	**-**	**(1,016,573)**	**3,207,012**

The Ray Taylor Memorial Fund is in memory of Ray Taylor, a former trustee of the previous unincorporated entity, further details can be found in the Trustees Annual Report.

PRIOR PERIOD	1 January 2021 £	Income £	Expendture £	Transfers £	Gains/ (losses) £	31 Dec 2021 £
UNRESTRICTED FUNDS						
General funds	225,000	50,281	(312,569)	262,288	-	225,000
DESIGNATED FUNDS						
Church deposits	1,188,130	22,713	-	329,503	-	1,540,346
Investments	922,339	216,926	(38,415)	(486,062)	850,547	1,465,335
Properties	221,365	161,068	-	(67,609)	-	314,824
Modernisation	50,000	-	-	(43,120)	-	6,880
Ray Taylor Memorial	-	-	-	5,000	-	5,000
Investment property Valuation Reserve	564,936	-	-	-	-	564,936
Restricted Funds	4,783	-	(4,783)	-	-	-
	3,176,553	**450,988**	**(355,767)**	**-**	**850,547**	**4,122,321**

NOTES TO THE FINANCIAL STATEMENTS continued

As at 31 December 2022

19 - NET CURRENT ASSETS

CURRENT YEAR	Fixed Assets £	Net current assets / (liabilities) £	Creditors greater than one year £	Fund balance £
UNRESTRICTED FUNDS				
General funds	7,665,561	(5,297,007)	(2,143,554)	225,000
DESIGNATED FUNDS				
Church deposits	-	1,212,519	-	1,212,519
Investments	915,261	-	-	915,261
Properties	233,794	-	-	233,794
Modernisation	-	502	-	502
Investment Property Valuation Reserve	-	609,936	-	609,936
Ray Taylor Memorial	-	10,000	-	10,000
	8,814,616	**(3,464,050)**	**(2,143,554)**	**3,207,012**

PRIOR PERIOD				
UNRESTRICTED FUNDS				
General funds	8,086,396	(5,904,821)	(1,956,575)	225,000
DESIGNATED FUNDS				
Church deposits	-	1,540,346	-	1,540,346
Investments	1,465,335	-	-	1,465,335
Properties	314,824	-	-	314,824
Modernisation	-	6,880	-	6,880
Ray Taylor Memorial	-	5,000	-	5,000
Investment Property Valuation Reserve	-	564,936	-	564,936
	9,866,555	**(3,787,659)**	**(1,956,575)**	**4,122,321**

NOTES TO THE FINANCIAL STATEMENTS continued

As at 31 December 2022

20 - OPERATING LEASES

LESSOR:

At 31 December 2022 the Trust had agreed commitments as a lessor under non-cancellable operating leases to receive the receipts as follows:

	2022 £	2021 £
Investment Properties:		
Not later than one year	167,024	164,044
Later than one year and not later than five years	390,075	517,265
Greater than five years	561,000	633,833
	1,118,099	**1,315,142**

21 - RELATED PARTIES

During the year, some members of the SNU Trust Board were part of the member churches who undertook transactions with the SNU Trust. All of these transactions were part of the normal activities of the Trust and were not influenced or controlled by those members of the Board. There are no other related party transactions (2021: none).

22 - RECONCILATION OF NET INCOME TO NET CASHFLOW IN OPERATING ACTIVITIES

	2022 £	2021 £
Net Income	(915,309)	945,768
Adjusted for:		
Depreciation charges	10,185	22,992
Loss / gains on investments	1,016,573	(850,547)
Cash movement on investment portfolio	(96,388)	152,555
Dividends interest and rents from investments	(410,985)	(377,994)
Decrease (increase) in debtors	45,268	32,471
(Decrease)/Increase in creditors	634,134	(699,288)
Net cash provided by operating activities	**283,478**	**(774,043)**

NOTES TO THE FINANCIAL STATEMENTS continued

As at 31 December 2022

23 - ANALYSIS OF CASH AND CASH EQUIVALENTS

	2022 £	2021 £
Cash at hand	1,404,405	588,374
Total	**1,404,405**	**588,374**

24 - ANALYSIS OF NET DEBT

	At 1 Jan 2022 £	Cash flows £	Other non-cash changes £	At 31 Dec 2022 £
Cash and cash equivalents:				
Cash at bank and in hand	588,374	816,031	-	1,404,405
Total	**588,374**	**816,031**	**-**	**1,404,405**

TRUSTEES

TREVOR CRITCHLEY (CHAIRMAN)

0207 733 6171
trevor.critchley@snutrust.co.uk

TIM COOMBE

07876 598740
tim.coombe@snutrust.co.uk

JANE BARTON

07845 944765
jane.barton@snutrust.co.uk

KEN SMITH

01379 678197
ken.smith@snutrust.co.uk

MINISTER MYRRHA HIBBERT

0115 964 2171
myrrha.hibbert@snutrust.co.uk

STAFF

JULIE ROGERS

julie@snutrust.co.uk

LESLEY GILBEY

lesley@snutrust.co.uk

NADINE YOUNG

nadine@snutrust.co.uk

SNU TRUST

Burton End Lodge
Stansted Hall
Stansted
Essex
CM24 8UD

01279 814158
office@snutrust.co.uk
www.snutrust.co.uk

REGISTERED OFFICE:

276902 (England and Wales) SCO43897 (Scotland)

SNU TRUST
1926

Burton End Lodge, Stansted Hall,
Stansted, Essex CM24 8UD

01279 814158
office@snutrust.co.uk
www.snutrust.co.uk

SPIRITUALISTS' NATIONAL UNION TRUST

England & Wales - Charity number 1182379

Accounts

ANNUAL REPORT

Report and Statement of Accounts 2021

SPIRITUALISTS NATIONAL UNION TRUST

Investing in Spiritualist Churches since 1926

www.snutrust.co.uk

SNU TRUST ·FINANCE·

A Mutual Building Society for Churches

ANNUAL REPORT

Report and Statement of Accounts 2021

CONTENTS

MESSAGE FROM OUR CHAIRMAN	04
MINUTES OF THE 2021 SNU TRUST AGM	07
SNU TRUST ANNUAL REPORT	11
Activities and monitoring achievements	13
Palmerston Place	14
FINANCIAL REVIEW	27
Property Investments	29
Independent auditors report to the trustees of SNU trust	35
Trust Savings Accounts	58
Trustees & Staff	59

A MESSAGE FROM OUR CHAIRMAN

Dear Member

2021 was once again a year full of challenges and whilst the pandemic is still with us globally, we have been very fortunate within the UK to benefit from positive impact of the vaccination programme offered. Thankfully the country seems to be emerging from restrictions and whilst case numbers are still high, we all seem to be finding ways to live with the virus.

However, others are not so fortunate.

I'm sure you have all seen the terrible scenes in Ukraine, whose people are experiencing a level of human suffering that hopefully none of us will ever have to experience.

We cannot compare the financial challenges we are experiencing here with the suffering of those fearing for their own lives and those of their loved ones in Ukraine. However, it is inevitable that the war will have a financial impact on us all, especially on energy prices.

Spiritualist churches have shown tremendous resilience in the last two years and the Board feel that our role at the SNU Trust has never been more important than it is now. As you will see from the Trustees Annual Report, the SNU Trust made an increased surplus during 2021 as a direct result of changes in the needs of our members over the accounting period.

As stated in previous reports, the charity is working towards increasing its reserves however the Board are discussing ways in which some of the surplus could be used to support members during these difficult times.

We hoped to finally meet in person in Norwich on the eve of the SNU's Annual General Meeting however we have revised our plans due to the Union's decision to hold their meeting online.

We are therefore working with the SNU to hold a 'Question and Answer' session online on Sunday 17 July as part of the Union's AGM weekend. This is an opportunity for all churches, members and non-members, to meet our Board and to allow us the opportunity for us to share our plans with you.

The SNU Trust Annual General Meeting will be held in person at the Barbanell Centre in Stafford on the afternoon of Saturday 6 August 2022, further details are enclosed with this brochure. We hope that as many as possible will be able to attend, however we would encourage those for whom it is not viable to be there, to submit their votes by proxy to allow all voices with the organisation to be heard.

We look forward to seeing you in August.

Trevor Critchley | Chairman

"2021 was once again a year full of challenges"

MINUTES OF THE ANNUAL GENERAL MEETING OF THE SNU TRUST

HELD ON SATURDAY 25TH SEPTEMBER 2021
AT BURTON END LODGE, STANSTED HALL,
STANSTED, ESSEX CM24 8UD

1. Welcome

Trevor Critchley opened the meeting and stated for the record that due to the impact of the Covid-19 pandemic, alternative arrangements have been put in place for the AGM this year.

It was the Board's wish to revert to an in-person meeting in July 2021 however circumstances are such that the Trust had assessed all options and once again had to conclude that it is in the best interests of everyone not to go ahead with an in-person meeting as previously hoped.

The Board of Trustees carefully considered the options available and has taken the decision, in the interests of the safety and wellbeing of our members, that this year's AGM will take place with attendance in person restricted to the Chair of Trustees and a minute taker.

This means that no members will be permitted to attend the meeting in person this year, and any member who attempts to attend the meeting in person will be refused entry. Instead of attending in person, all members were required to attend by appointing the chair of the meeting for this purpose. This ensured that all members have the opportunity to express their views by voting on all matters to be brought before the meeting.

An Open Forum was held by the SNU Trust on Saturday 14 August 2021 via video conference to provide members with an opportunity to raise any questions or concerns before deciding how they wish to vote on their Proxy Form.

Credential Report:
Proxy Forms Received 24

2. Open Forum

During the Open Forum on 14 August 2021 the Trustees made short presentations to the attendees highlighting the work of the Trust. Two matters were raised for discussion that the Chairman felt should be minuted at the Annual General Meeting.

MINISTER DAVID BRUTON – FUND OF BENEVOLENCE

Minister Bruton asked the Trust for further detail regarding the rental income on Palmerston Place and enquired why the property wasn't reflected as an investment property in the Annual Report.

Lesley Gilbey informed the meeting that each tenant of Palmerston Place has entered into a five-year agreement with the SNU Trust; rental uplifts are specified in the leases and at the end of the five years, the return on capital of the property will be in line with the interest rate charged to members on loans from the Trust.

Palmerston Place is held as a building for charitable purposes, and not a property for investment purposes and is therefore not included in the Annual Report with the Trust's investment properties.

The difference in categorisation means that the Trust can take a more considered view of any return on the building.

Trevor Critchley noted that Edinburgh Association of Spiritualists, one of the tenants, has always met its obligations and that uplifts contained in their lease were minimal.

Minister Bruton noted that the loans owed to the Trust have remained static during 2021 and asked what the Trustees envisage the way forward to be in the next five years.

Trevor Critchley responded that the Trust did not expect an influx of new loan applications in the next five years and at present, the focus was on supporting churches who already have loans outstanding.

The support offered to churches going forward will be tailored to their individual needs; each church will be contacted from mid-September to put into place a twelve-month repayment plan to help the church get back to full repayments in a considered way suitable for their circumstances.

Minister Bruton highlighted that 2021 is the Year of the Environment for the Spiritualists' National Union and asked what the Trustees are doing to reduce the climate footprint of the Trust. He also enquired what the Trust is doing to encourage the members to invest in climate friendly improvements to their church buildings.

Jane Barton responded on behalf of the committee and reassured the meeting that climate change is on the Trust's agenda. The SNU Trust is looking at a way to share good practices with everyone and it is hoped that the Trust and the SNU could work together to find innovative ideas.

Trevor mentioned that the investment portfolio is an ethical portfolio which has become steadily more Green over the last four years. The Trustees work closely with their Brokers to find creative ways of approaching investments for the benefit of the plant, without sacrificing a return that is crucial to the charity.

Lesley Gilbey highlighted changes and best practices undertaken at a local level within the office to ensure that the carbon footprint of the charity is considered at all times. Lesley gave an undertaking to give further information in the next Annual Report.

Minister Bruton explained that the SNU would welcome a dialogue with the Trust to explore ways in which the two charities could work together to offer and encourage churches to become Greener. This may be by providing opportunities for churches to take on small loans to make improvements to their buildings.

Trevor Critchley committed to discussing the suggestion at the next meeting of the SNU Trust and will contact the Union in due course.

3. Motion-1

THAT the draft minutes of the 2020 Annual General Meeting be approved.

- For 23
- Against 0
- Abstain 1

Motion Carried

4. Motion-2

THAT the draft annual report and accounts for the financial year ended 31 December 2020 be approved.

- For 24
- Against 0
- Abstain 0

Motion Carried

5. Motion-3

THAT Price Bailey be appointed as the auditors for the Trust for the forthcoming year, and THAT the auditors' remuneration shall be determined by the Trustees.

- For 24
- Against 0
- Abstain 0

Motion Carried

6. Declaration of Election

Valid Nominations Received:

- Jane Barton 30
- Tim Coombe 29

There were no new validly nominated candidates and all remaining committee members were appointed for the coming year.

7. Date & Venue of 2022 SNU Trust AGM

8.15pm on the Friday evening of the SNU AGM 2022 in Norwich.

IN ATTENDANCE:

Trevor Critchley (Chairman) | Lesley Gilbey

SNU TRUST ANNUAL REPORT

& FINANCIAL STATEMENTS FOR THE PERIOD ENDING 31 DECEMBER 2021

Registered in England and Wales No. 11382378
Charity No 1182379 (England & Wales)
Charity No SC049738 (Scotland)

ACTIVITIES AND MONITORING ACHIEVEMENTS

The Trustees have pleasure in presenting their Annual Report together with the audited financial statements for the charity for the period ended 31 December 2021 and confirm they comply with the Charities Act 2011, the Charities Statement of Recommended Practice second edition 2019 and FRS 102.

Objectives and Activities

The Spiritualists National Union Trust was registered as a charitable company in May 2018 and took over the assets of the SNU Trust, created in 1926, on 1 May 2019. The Trust was established to continue the work of the previous entity whilst ensuring that its business model was fit for the 21st century. Detailed in the articles of the SNU Trust are objectives which promote the advancement and diffusion of Spiritualism by providing financial assistance to Spiritualist National Union affiliated spiritualist churches.

The support afforded to members is three-fold:

- ✓ Providing investment opportunities that pay credit interest rates which are competitive with other financial institutions.
- ✓ Making available Advances (loans) to members to enable them to finance the building of new (or repair of existing) church buildings which provides the facility for members of the public to worship the religion of Spiritualism in their local community.
- ✓ Approving grants to assist churches in need.

The Charity is aware that social and economic circumstances have changed considerably since the Trust was originally formed and not all churches are able to afford the costs involved in owning and maintaining their own premises.

The Trust therefore ensured that its objects allowed the organisation to *purchase and make available properties by way of lease, this is an area that the board are keen to pursue in the coming years.*

Public Benefit Statement

The Trust has regard to the Charity Commission guidance on public benefit and how SNU churches exist to promote the seven principles of Spiritualism which encourages its followers to become socially responsible within the wider community.

The Trust, by financially supporting SNU Spiritualist churches, encourages a religious practice that leads to promoting spiritual welfare and improvement of society.

PALMERSTON PLACE

The SNU Trust owns a property in Edinburgh which, for ten years, has been home to both Edinburgh Association of Spiritualists and Palmerston Trust, a charity based in Scotland whose objects are based around the Seven Principles. The property is held as a charitable investment and as such, the Board of the SNU Trust has scope to take into consideration the aims of the tenant when reviewing the investment as part of the Trust's wider portfolio.

The Trustees are mindful that whilst the rent charged to Palmerston Trust should be reflective of its core objects of the furtherance of spiritualism, it must be balanced against the need to ensure a return that would ultimately enable the charity to pass any financial benefit on to all members. The Board therefore continues to work towards obtaining a return equivalent to that expected by the SNU Trust from members' loans.

Both Palmerston Trust and Edinburgh Association are in year two of five-year agreements which incorporate annual rental uplifts which will result in a return on investment of 3.75% in the final year.

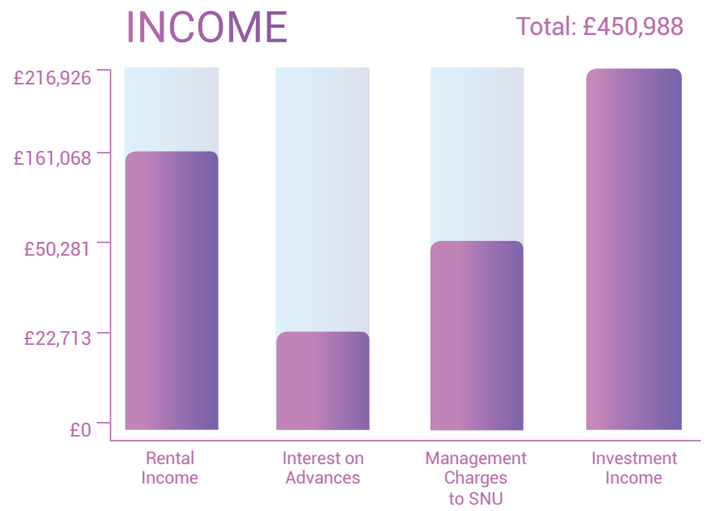
During 2021 rental arrears incurred by Palmerston Trust in 2020 were repaid in full.

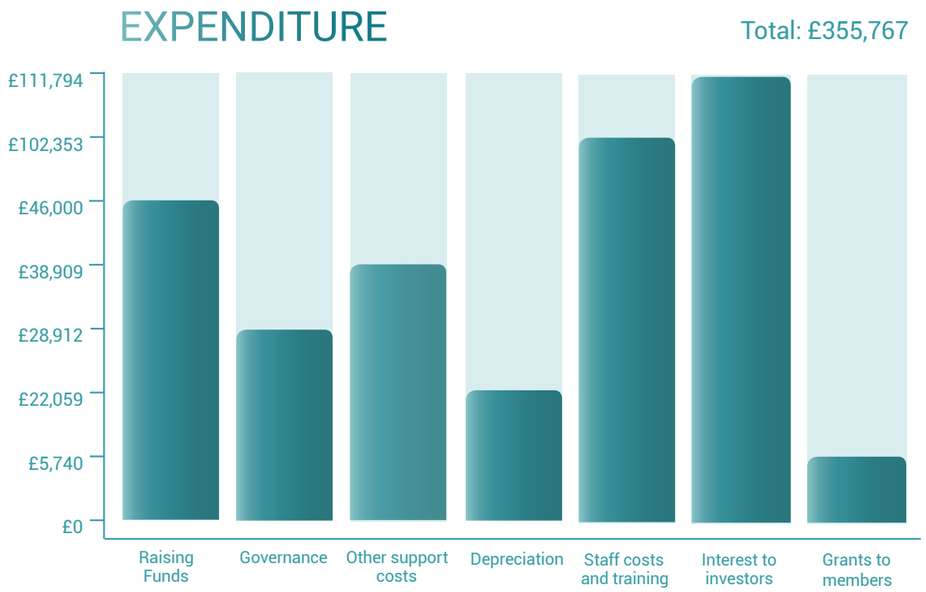
Monitoring Achievements

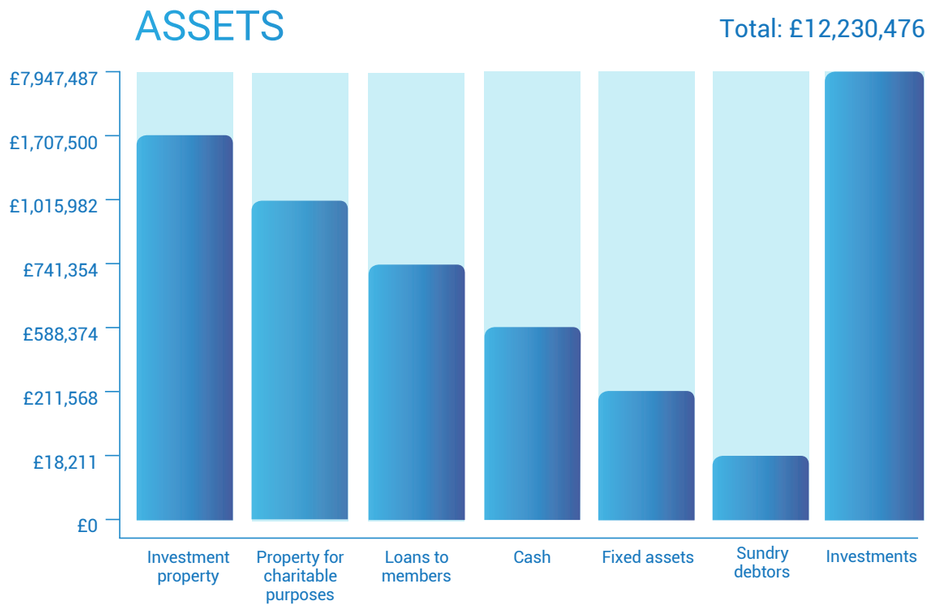
The SNU Trust derives its income from dividends paid on a portfolio of stocks and shares managed by Quilter Cheviot, rental income from properties, interest paid by members on Advances and management charges to the Spiritualists' National Union for accounting services.

Investment income during the accounting period increased by 22% on the previous year, boosted primarily by a special dividend received during 2021 on a specific holding. The income forecast for 2022 is projected to be broadly in line with 2021 when adjusting for this event.

During the accounting period interest paid out to members formed the largest expense for the SNU Trust.







Of the assets shown above, £8,180,155 relates to church deposits and sundry creditors leaving £4,122,321 in SNU Trust reserves.

Investment Brokers

The SNU Trust continue to work closely with the charity's broker, Quilter Cheviot Investment Management, and during 2021 have met regularly with their account manager to assess and review the management and performance of the SNU Trust portfolio. The objective of the portfolio remains to generate income whilst maintaining the real value of the capital over the long-term to ensure that the Trust can meet current and future expenditure requirements in line with its charitable objectives.

Management of the Portfolio

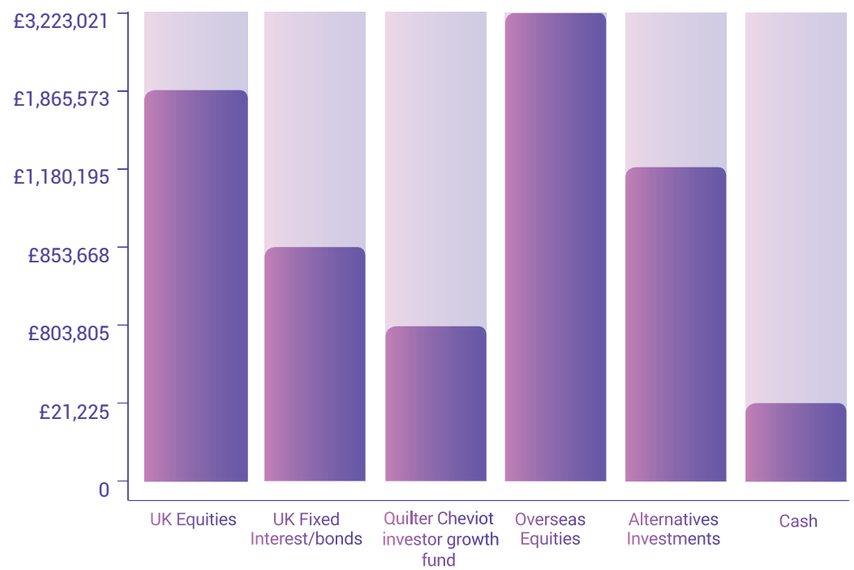
The cost of managing the portfolio by Quilters is calculated as a percentage of the value of the portfolio at the end of each month; Quilter Cheviot therefore have a vested interest in ensuring the maximum growth of the Trust's portfolio whilst ensuring that any investment adheres to the strict parameters laid out in the agreed Investment Policy. Quilter Cheviot are instructed to manage the portfolio on a discretionary basis and they are mindful of the objective of the portfolio at all times.

Performance During the Accounting Period

The SNU Trust portfolio managed by Quilter Cheviot returned 14.6% over the year to end 2021; this was ahead of the agreed composite benchmark of market indices which returned 13.5% and the ARC Steady Growth Charity Index which returned 12.3%. The portfolio is invested in equities (UK and overseas), fixed income, property as well as infrastructure and private equity listed vehicles.

The SNU Trust has a second portfolio which is invested in the Quilter Cheviot Global Income and Growth Fund for Charities. Over the year to the end of December 2021 the portfolio returned 12.8% versus the benchmark which is a composite of market indices, which returned 13.5% over the same period. The portfolio out-performed the ARC Steady Growth Charity Index which returned 12.3% over the same period. This is invested across the same asset classes as the main fund.

Total: £7,947,487



INVESTMENT POLICY STATEMENT: IN ACCORDANCE WITH THE TRUSTEE ACT 2000

This Policy Statement has been prepared by the Trustees and provides guidance as to how the stock market asset management functions delegated to Quilter Cheviot Investment Management by the Trustees should be exercised. It has been formulated with a view to ensuring that the asset management functions will be exercised in the best interests of the Trust.

Investment Objectives

The Trust aims to produce the best financial return within an acceptable level of risk. Over the long term, the investment objective is to grow the capital of the portfolio as well as generating income.

The investment objective parameters are to generate as a minimum, a return of inflation plus 3.5% pa over the long term, after expenses. This should allow the Trust to at least maintain the real value of the assets, whilst funding annual expenditure.

The Trust has defined a Medium Risk tolerance with our Investment Brokers. The medium level risk tolerance allows for capital growth to be achieved in the longer term allowing for market fluctuations. The time horizon for our investments is more than 5 years which means we can accept moderate disruption to capital value or current income in order to achieve our longer-term objective.

The Trust is able to tolerate volatility of the capital value, as long as the Trust is able to meet its short-term expenditure requirements through either income or liquid capital assets.

The Trusts' investment assets can be invested widely and should be diversified by asset class and management institution. Asset classes could include cash, government and corporate bonds, equities – UK and worldwide, property, structured products, commodities and any other asset deemed suitable to meet the objectives of the Trust.

Trustees, nominated by the Trust Committee, are charged with agreeing the suitable asset allocation with the Investment Brokers, subject to overall approval of all the Trustees. All proposed changes to investments will be agreed with the nominated Trustees.

Liquidity Requirements

The Trust aims to fund its annual operational costs of £225,000 pa and its estimated payments of £150,000 for returns on investment to members. This can be funded from both income, and if necessary, capital.

A minimum of 2% of total assets should be retained in cash, or near cash products at all times – this will be held as cash at bank and in hand.

Time Horizon

The Trust is expected to exist in perpetuity and investments should be managed to meet the investment objectives and ensure this sustainability. The Trust can adopt a long-term investment time horizon.

Management, Reporting and Monitoring

The Trust has appointed a professional Investment Management firm to manage the assets (with the exception of the direct property portfolio), on a discretionary basis in line with this policy. The Investment Manager will provide custody of the assets.

The Investment Managers will produce quarterly valuation and performance reports. The performance report will show the progress of the portfolio against an appropriate benchmark – likely to be the Charity Composite benchmark. In addition, capital and income transaction reports will be provided after each transaction.

Nominated Trustees and Staff members will also have access via the Investment Managers' password protected website to view the portfolios valuations and transactions. Nominated Trustee authorised signatories are provided, two of which are required to sign instructions to the Investment Manager.

The Investment Manager will meet bi-annually to review the portfolio with the nominated Trustees responsible for Investments and will report to the Board of Trustees on an annual basis.

Ethical Investment Policy

The Trustees wish to adopt an exclusionary policy in respect of investments in Armaments.

Approval and Review

This Investment Policy Statement was prepared by the Trustees responsible for investment management of the SNU Trust to provide a framework for the management of its investment assets. It has been reviewed during 2021 and will continue to be reviewed annually to ensure continuing appropriateness.

RAY TAYLOR MEMORIAL FUND

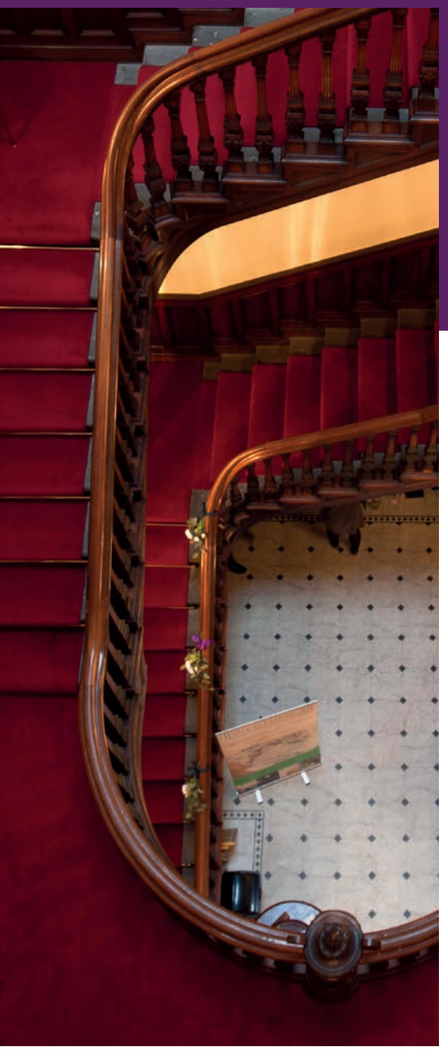
The Ray Taylor Memorial Fund was established in memory of Ray Taylor, a former trustee of the SNU Trust, who was a proponent of churches facing financial hardship.

For some time, the Trustees have been conscious that the fund may, in time, be fully utilised and therefore to ensure the continuance of the Fund, the Board of Trustees committed in 2020 to set aside funds to create a new designated fund in memory of Mr Taylor when required.

The Trust has worked with members who have loans with the Trust throughout the pandemic to manage their finances, reduce or halt repayments and give any other support as required. Whilst some members have been fortunate enough to be able to continue repayments, either full or partial, others were not able to make any reductions to their loans. The Board was aware that as the debt outstanding was higher than would have been planned for, the charity would directly benefit from an increase in income from loan interest and this was felt to be an unsatisfactory situation.

The Trustees agreed to utilise the funds in the existing Ray Taylor Memorial Fund as grants to members with loans; this resulted in members receiving a 25% reduction in the interest charge at the end of 2021. The grants were funded from the existing restricted fund established some years ago and the Trust have created, in its place, a designated fund in the same name.

The change of the Ray Taylor Fund from restricted to designated allows the Trust greater flexibility in the administration of the fund, allowing the Trust to commit more resources to the fund when necessary.



Green Loans

At the Open Forum held in August 2021, Minister David Bruton asked if the Trust could support churches with 'green' loans for projects to improve church properties. The Trustees agreed to investigate ways in which the SNU Trust could help whilst ensuring that churches are not placed under financial pressure.

The SNU Trust operates under exemptions provided by the Financial Conduct Authority which only allows loans to members that are secured, this can be complex and costly and is therefore something that makes churches reluctant to apply for small sums.

The Board of Trustees is working with the National Executive Committee of the SNU to find a solution to the obstacles outlined above whilst ensuring that the SNU trust remains compliant with its legal and statutory responsibilities.

The Trust hopes to be able to provide more information at the Annual General Meeting in August 2022.

CHURCH DEPOSITS

During the accounting period, the charity has been aware that churches continue to experience financial pressure due to the on-going pandemic. Subsequently churches have continued to make withdrawals during 2021, using the funds held in the Trust to top up local bank accounts.

There has been a net drop in member deposits of around 8% for the accounting period, much of which can be attributed to funds withdrawn by the Spiritualists' National Union on behalf of the Arthur Findlay College. However, it is anticipated that during 2022 the Spiritualists' National Union's need to draw down cash from their accounts with the SNU Trust will lessen during the coming year.

The Trust continues to provide support and advice for member and non-members, and through this interaction the SNU Trust has gained new investment from existing members, as well as new members. The Board would like to extend their thanks to those churches for their continued support.

After discussion, it was agreed by the Trustees to make the 1-4-1 account available once again to all members; whilst the Board appreciated that asking members to further invest in the Trust at this time might be difficult, it was felt important that any church wishing to benefit from the generous interest rate offered should still be given that opportunity.

Whilst take up of the 1-4-1 account was lower than in previous years, the Trust is pleased to report that a total of twenty-four members opened accounts.

Products and interest rates offered to churches are reviewed at each Trustee meeting to ensure that the charity continues to encourage existing and new members to further invest with the Trust. The SNU Trust is aware of the importance of the income provided to churches by way of interest on any savings held and the Board is always mindful to hold up rates on credit balances whilst holding rates down on loans whenever possible to support members to the best of their ability.

The Trust rates have remained constant throughout the pandemic, but members should be mindful that rates are kept under constant review and are subject to change. However, the Trust remains committed to sustaining the rates paid to churches wherever possible.

TRUSTEES

The SNU Trust, like all voluntary bodies, continues to find it increasingly difficult to identify new Trustees to welcome on to the Board. The Trustees are mindful that this is something that has been a cause for concern for a number of years and it is a matter that is discussed at each meeting of the Board as this is a key risk which must be addressed.

The current Trustees are aware that in order to safeguard the future of the charity, it is important to encourage more people to get involved to ensure a continuous approach to growing the charity to support SNU churches in the future. In order to encourage members to think carefully about who to nominate to the Board in the coming year, member churches of the SNU Trust have been provided with information which outlines the key responsibilities of becoming a Trustee along with the nomination form.

Whilst the SNU Trust is primarily focused on finance, there are other areas of qualification or experience required of Trustees which would be beneficial to the charity including legal, property or governance sectors. However, the Board recognises the value of any volunteer who would like to support the SNU and its affiliated churches and would be happy to lend time and experience to the organisation.

Churches have been asked to consider if anyone of their members would be interested in becoming a Trustee, or if they would like to gain a better understanding of what would be required in the role, they are encouraged to contact the SNU Trust Head Office and speak to Lesley Gilbey. Alternatively, Trevor Critchley, the Chair of the SNU Trust can be contacted directly. (Details are available at the back of this brochure.)

PLANNING FOR THE FUTURE

It was planned to relaunch the SNU Trust with new branding and an updated website in 2020, however this was delayed allowing the Trust time to concentrate on assisting all SNU churches during the onset of the Covid-19 pandemic.

The Trust is in the process of redesigning the SNU Trust website and it will be launched at the next Annual General Meeting in August 2022. The website will be used as another useful resource for members and non-members to provide information and support.

KEY MANAGEMENT PERSONNEL

The Trust considers its key management personnel to comprise of the Finance Manager and other Trust staff.

REMUNERATION POLICY

The Trust aims to maintain remuneration at levels that enable the charity to recruit and retain employees of suitable calibre and motivate them to achieve their set objectives.

Remuneration of all staff is reviewed annually in December when the Board reviews the remuneration of all staff as advised by the Trustee with responsibility for Human Resources and makes decisions on adjustments required. Any changes made take into account market movements applying to the role within the sector and all decisions are subject to overall budget approval by the board for the year in question.

FINANCIAL REVIEW

The SNU Trust has agreed to adopt the following Reserves Policy for the accounting period; this will be reviewed annually to ensure that it continues to be appropriate.

The Board of the SNU Trust considers the Reserves Policy annually and have agreed the following policy for the accounting period 31 December 2021. The policy will be kept under review to ensure that it continues to be appropriate.

Reserves Policy

The SNU Trust have agreed that the charity's desired level of unrestricted reserves should be sufficient to enable the charity to continue its day-to-day activities whilst also providing comprehensive protection for members funds invested in the SNU Trust. At the year end the level of unrestricted funds was £3,557,385.

The Trustees have agreed that the current reserve should be divided into smaller funds targeting specific areas of activity of the charity. This will give comfort that in the event of unforeseen circumstances the SNU Trust has made provision to ensure the continuation of the SNU Trust in supporting Spiritualism.

General Fund

The General Fund will cover working capital for the SNU Trust for a 12-month period, currently £225,000 and representing 6.3% of the total Unrestricted Reserves and is reviewed annually at the December meeting of the SNU Trust to ensure that the level of the fund is set at an appropriate level.

Designated Fund

MODERNISATION

The Modernisation Fund is to support the costs relating to web site development, enhancement of marketing literature and other related expenses. It is anticipated that a fund of £6,880 will be sufficient for this purpose.

INVESTMENTS

Whilst the investment policy of the charity ensures that any risk is managed appropriately, the SNU Trust has taken the decision to set aside funds to provide protection for the charity in the event of a catastrophic market event which would threaten the investments held on behalf of the Trust by brokers and other financial organisations.

CHURCH DEPOSITS

A designated fund should be set aside to provide cover for church deposits. The reserve has been set at 19.05% (2020 13.53%) of the total funds held by the Trust on behalf of all members with the intention to work towards increasing this percentage to eventually match the funds held on deposit by members.

INVESTMENT PROPERTIES

This designated fund provides protection against an irrecoverable downturn affecting all the Trust's investment properties. Each building has full insurance for all eventualities thereby ensuring that all steps are taken to minimise any risk.

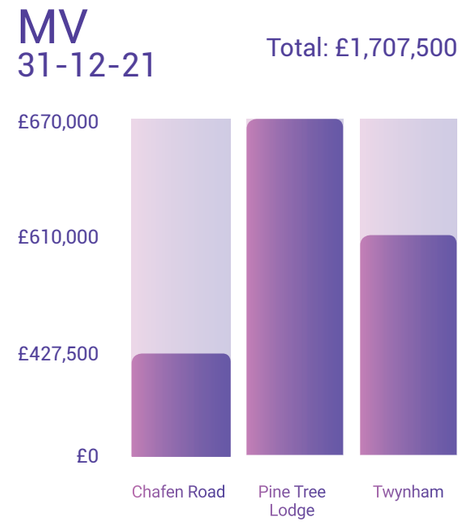
PROPERTY INVESTMENTS

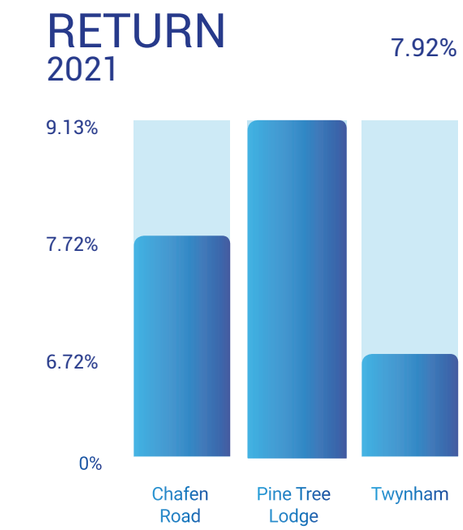
The SNU Trust own three properties in the south of England that are leased out on long terms agreements to Choice UK who provide assisted living for adults with learning disabilities and other long-term needs; the Trust has no involvement in the management or operation of the homes.

The leases on all the care homes are full repairing leases and as such, Choice UK are responsible for all repairs, maintenance, and insurance of the properties. The SNU Trust incur no costs during the year relating to these properties.

The Trust regularly appraises the market value of its investment properties to ensure an appropriate income return on investment and that the valuation of the investment properties accurately reflects their market value. In 2021, Philip Moses, of Moses Rutland Surveyors, reviewed the valuations of the buildings and the Trustees will continue to monitor the markets.

The SNU Trust continue to receive generous rental income from Choice UK which generates a return on Investment of 7.92%.





GOVERNANCE

Membership of the Trust is open to the Spiritualists' National Union (SNU), anybody being affiliated to or in association with the SNU, any branch or district council of the SNU and any Trust fund of which the SNU ls custodian trustee.

The Spiritualists' National Union is an organisation which spiritualist churches may affiliate to. The SNU Trust was formed to enable churches who are members of the SNU to invest in and borrow from the charity so formed.

Risk Management

The SNU Trust assess all risks the charity may encounter at each meeting and this has become even more important during 2021, identifying the following as key risks.

RECRUITMENT OF NEW TRUSTEES

The identification and recruitment of new Trustees continues to be an urgent priority for the SNU Trust during 2022. There are currently four trustees, being the minimum required, and this could lead to an inability to govern in accordance with the Articles of the charity. Steps taken to address this matter have been outlined earlier in the report.

CONFLICT OF INTEREST

The Trust operates a register of interests for all Trustees and the Trust has developed and published a detailed policy on managing potential conflicts of interest and loyalty, a copy of which is published on our website and is available to download. This policy outlines the responsibility of Trustees when considering any potential conflict which may affect their ability to make a decision as part of their duty as Trustee. At each meeting of Trustees, a complete record of current declarations is circulated to the attendees and Trustees are asked to declare any changes in their register of interests and loyalty; the register includes details of membership of SNU Committees, Churches, allied Trusts and any contractual involvement that Trustees might have with members of the Trust.

A Trustee will withdraw from any discussion or decision-making in respect of any matter in which a conflict of interest may arise.

DISASTER RECOVERY PLAN

The SNU Trust has a comprehensive disaster recovery plan which is a documented, structured set of instructions to allow the Trust to respond to unplanned incidents and have the ability to continue to operate or quickly resume critical functions. The plan is accessible to all staff and Trustees and is constantly under review.

DATA SECURITY

The Trustees have taken steps to ensure that the integrity of the data and documents held by the Trust will not be compromised. Computer data is securely backed up both on and off site and its reliability is tested as part of the Trust's Disaster Recovery Plan. Important documents are kept in a fireproof safe.

FRAUD PREVENTION

The SNU Trust has adopted the Internal Financial Controls for Charities Guidance (CC8) provided by the Charity Commission to ensure that essential checks and procedures are completed to ensure that the Trust meets their legal duties to safeguard the charity's assets.

Additional measures have been implemented designed to ensure that members funds are only used for their intended purposes; the signatory mandates which are sent out to members annually have been reviewed and updated to include changes which will give further protection.

Statutory Bodies

The charity is not authorised under the Financial Services & Markets Act 2000 as its activities are considered exempt, as the charity accepts deposits only from members, which are also charities. However, the Trustees are mindful that it is important that our activities are continually monitored for compliance with FCA guidelines.

Fundraising Compliance

The Charity understands its duty to protect the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate.

The SNU Trust does not raise any funds from the general public and can confirm that no internal resources are used for this purpose. In addition, the charity does not commission a professional fund-raiser/ commercial participator for fundraising.

The charity is not subject to an undertaking to be bound by any voluntary scheme for regulating fund-raising, or voluntary standard for fund-raising in respect of activities on behalf of the charity.

The SNU Trust has adopted principals of GDPR legislation and also has policies to protect the data of members of the public.

The Board confirms that no complaints were received during the year about activities for the purpose of fund-raising.

Related Parties

None of the Trustees receive remuneration for their duties as charitable Trustees.

Appointment and Induction of Trustees

Trustees are elected by SNU Trust member churches for a period of two years, with half retiring in alternate years. The retiring Trustees can be re-nominated and serve for a maximum of eight consecutive years, unless the Trustees consider it would be in the best interests of the charity to continue to serve beyond that point, and that the Trustee is appointed in accordance with the Articles.

It is required that Trustees have appropriate qualifications or experience in areas beneficial to the charity including, but not limited to, the legal, financial or property sectors. The level of competence required of a Trustee is explained in the Trust Deed. New Trustees are inducted by an existing Trustee and trained through regular attendance at meetings.

Custodian Trustee

The purpose of Higginson Securities Limited is to hold the legal charges in favour of the charity relating to members' secured loans owed to the SNU Trust. Going forwards, any legal charges acquired after May 2019 will be held by the SNU Trust and when all historic charges are released, Higginson Securities Limited will be wound up.

All title deeds relating to properties owned by the Trust are held by the SNU Trust.

Governing Documents

The SNU Trust is governed by Articles of Association, a copy of which can be obtained by contacting our office. The SNU Trust is registered at the Charity Commission (reg no 1182379), The Office of the Scottish Charity Regulator (reg no SCO49738) and with Company House (reg no 11382378).

Organisation

The Trust is administered and managed by a Committee of Management which consists of up to eight members elected by members of the Trust from among full members of affiliated churches which are members of the Trust. With approval, the Committee of Management delegate day to day running of the Trust to the Finance Manager and other Trust Staff as appropriate.

The members of the Committee of Management during the year ended 31 December 2021 and to the date of this report were: -

T. Critchley (Chairman)

K. Smith (Secretary)

T. Coombe

J. Barton

TRUSTEES' RESPONSIBILITIES

In 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 directors to prepare financial statements for each financial year.

Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors 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 and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the directors are required to:

1. select suitable accounting policies and then apply them consistently;
2. observe the methods and principles in the Charities SORP FRS102;
3. make judgments and accounting estimates that are reasonable and prudent;
4. state whether applicable UK Accounting Standards have been followed, subject to any material departure disclosed and explained in the financial statements;
5. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

BY ORDER OF THE COMMITTEE
T CRITCHLEY, CHAIR

Date: 13 April 2022

Principal address:

Burton End Lodge, Stansted Hall, Stansted' Essex CM24 8UD

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES AND MEMBERS OF SPIRITUALISTS' NATIONAL UNION TRUST

OPINION

We have audited the financial statements of Spiritualists' National Union Trust (the 'charity') for the year ended 31 December 2021 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 charity's affairs as at 31 December 2021, 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 Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and 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 opinio.

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 trustees' 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 the audit:

- the information given in the trustees' report for the financial year 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in trustees' report. We have nothing to report in respect of the following matters where the Charities Accounts (Scotland) Regulations 2006 (as amended) and 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 trustees' responsibilities statement, the trustees 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

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the charity and how it operates and considered the risk of the charity not complying with the applicable laws and regulations including fraud in particular those that could have a material impact on the financial statements. This included those regulations directly related to the financial statements. In relation to the charity this included employment law, financial reporting and health & safety.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

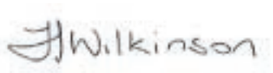
- Management override: We reviewed systems and procedures to identify potential areas of management override risk. In particular, we agreed the financial statements to the underlying trial balance and carried out testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions to identify large or unusual transactions. We reviewed key authorisation procedures and decision making processes for any unusual or one-off transactions.
- We reviewed minutes of Trustee meetings agreeing the financial statement disclosures to underlying supporting documentation, and made enquiries of management including those responsible for the key regulations. We have reviewed the procedures in place for reporting of incidents to the Trustee Board and, escalation of procedures and serious incident reporting of these matters as necessary with the Charity Commission in Engalnd and Wales and in Scotland (OSCR).
- We reviewed whether there has been any correspondence with the Charity Commission and made enquiries of management and officers of the charity regarding non-compliance with laws and regulations applicable to the organisation. We have also reviewed the procedures in place for the reporting of any incidents to the Trustee Board including serious incident reporting of these matters if necessary with the Charity Commission.
- We reviewed the process regarding the Trustees' consideration of the risk register, including consideration of data protection.

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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx. This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the charity's trustees and members, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and 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 trustees and 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 trustees and members as a body, for our audit work, for this report, or for the opinions we have formed.



Helena Wilkinson BSc FCA DChA (Senior Statutory Auditor)

for and on behalf of
PRICE BAILEY LLP

Chartered Accountants
Statutory Auditors

Tennyson House
Cambridge Business Park
Cambridge
CB4 0WZ

Date: 20 May 2022

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

For the year ended 31 December 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
INCOME:					
CHARITABLE ACTIVITIES:					
Interest on advances	2	22,713	-	22,713	28,517
Income from other trading activities:					
Management charges to SNU		50,281	-	50,281	45,781
INVESTMENTS:					
Income from investments		216,926	-	216,926	177,689
Rental income from investment properties	3	161,068	-	161,068	159,068
Total income		**450,988**	**-**	**450,988**	**411,055**
EXPENDITURE:					
Raising funds	4	46,000	-	46,000	57,527
Charitable activities:	5	304,984	4,783	309,767	309,982
Total expenditure		**350,984**	**4,783**	**355,767**	**367,509**
Net income/(expenditure) for the year before investment gains		**100,004**	**(4,783)**	**95,221**	**43,546**
Net gains on investments		850,547	-	850,547	51,895
Net income for the year being net movement in funds		**950,551**	**(4,783)**	**945,768**	**95,441**
RECONCILIATION OF FUNDS:					
Total funds brought forward		3,171,770	4,783	3,176,553	3,081,112
Total funds carried forward		**4,122,321**	**4,783**	**4,122,321**	**3,176,553**

The statement of financial activities includes all gains and losses recognised in the year.All income and expenditure derive from continuing activities.The notes on pages 42 - 57 form part of these accounts.

BALANCE SHEET

As at 31 December 2021

	Notes	2021 £	2020 £
Fixed assets			
TANGIBLE FIXED ASSETS:			
Freehold property	11	191,866	195,933
Computer equipment	11	6,301	10,843
Fixtures, fittings and equipment	11	3,401	3,870
INTANGIBLE FIXED ASSETS:			
Computer equipment	12	10,000	18,960
INVESTMENTS:			
Investments	15	7,947,487	7,114,453
Investment property	10	1,707,500	1,707,500
Total fixed assets		**9,866,555**	**9,051,559**
Current assets			
Programme related investments	14	1,757,336	1,788,384
Sundry debtors	16	18,211	19,632
Cash at bank and in hand		588,374	1,124,419
Total current assets		**2,363,921**	**2,932,435**
Liabilities			
Creditors: amounts falling due within one year	17	(6,151,580)	(6,616,404)
Net current liabilities		**(3,787,659)**	**(3,683,969)**
Total assets less current liabilities		**6,078,896**	**5,367,590**
Creditors: amounts falling due after more than one year	16	(5,367,590)	(2,191,037)
Total net assets		**4,122,321**	**3,176,553**
The funds of the Trust:			
Restricted funds	18	-	4,783
Unrestricted funds:			
General funds	18	225,000	225,000
Designated funds	18	3,332,385	2,381,834
Revaluation reserve	18	564,936	564,936
Total funds		**4,122,321**	**3,176,553**

BALANCE SHEET *(continued)*

As at 31 December 2021

The attached notes on pages xx - xx form part of these financial statements.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the Board of Trustees on 13 April 2022 and signed on their behalf by:

T. Critchley (Chair) K. Smith (Secretary)
Registration No. 11382378 (England and Wales); Charity No. 1182379; Scottish Charity No: SC043897

CASHFLOW STATEMENT

For the year ended 31 December 2021

	Notes	2021 £	2020 £
Cash Flows from Operating Activities			
Net cash (used in) / provided by operating activities	22	(774,043)	(712,093)
Cash Flows from Investing Activities			
Rental income received		161,068	159,068
Investment income received		216,926	177,689
Purchase of tangible fixed assets		(4,954)	(36,458)
Purchase of investments		(769,117)	(2,996,914)
Proceeds from the sale of investments		634,075	2,431,757
Net Cash Flows from Investing Activities		**237,998**	**(264,858)**
Change in cash and cash equivalents in the year		(536,045)	(976,951)
Cash and Cash equivalents brought forward		1,124,419	2,101,370
Cash and cash equivalents carried forward	23	**588,374**	**1,124,419**

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2021

1 - ACCOUNTING POLICIES

(a) Legal status of the Charity

The charity is a company limited by guarantee, with no share capital and is incorporated in England and Wales (registration number 11382378). It has registered with the Charity Commission in both England and Wales (charity number 1182379) and Scotland (charity number SCO43897). The registered office is Burton End Lodge, Stansted Hall, Stansted Mountfitchet, Essex, CM24 8UD.

In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

(b) Basis of preparation and assessment of going concern

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 (FRS 102)(effective 1January 2019), the Companies Act 2006 and the Charities and Trustee Investment(Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes. The accounts are stated in pound sterling and rounded to the nearest pound.

(c) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. Trustees have made the decision to invest some of the current assets over the years into listed investments and investment properties which provide a return, therefore giving rise to the charity showing negative net current liabilities. These can be sold should this become necessary to satisfy any debts.

The SNU Trust continues to consider forecasts and budgets to asses the ability of the charity to meet debts as they fall due. As such, they continue to adopt the going concern basis of accounts in the financial statements.

The SNU Trust is cognisant that the threat of Covid-19 and the restrictions placed on the nation has, and will continue to have, an impact on the running of the charity. The Board has completed a comprehensive review and is confident of the SNU Trust's ability to continue as a going concern.

(d) Group accounts

The financial statements contain information about the Trust as an individual charity and do not consolidate the subsidiary undertaking, Higginson Securities Limited (a company limited by guarantee). As the subsidury is dormant and is not material to the group, the charity has taken account of the exemption not to prepare group accounts.

(e) Funds structure

Unrestricted funds comprise of funds which the Trustees are free to use for any purpose in the furtherance of the charitable objectives. The Trustees have created five designated funds to be used to support specific areas of the charity.

Further details of each fund are disclosed in note 18.

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31 December 2021

(f) Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity, this is normally upon 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. This is normally upon notification by the investment advisor of the dividend yield of the investment portfolio. Income from Government Securities is recognised when it is received. Income accrued and not received on these securities at 31 December is included in the market value of the investments held.

Rental income under operating leases is charged to the profit and loss accounts on a straight line basis over the terms of the lease.

(g) Expenditure

Expenditure is recognised once there is a legal or constructive obligation committing the charity to the expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Costs of raising funds include fees and charges for the management of the investment portfolio and an apportionment of support costs.

Expenditure on charitable activities includes interest paid on investor accounts, governance costs and an apportionment of support costs.

(h) Taxation and Irrecoverable VAT

The Trust is a registered charity and is exempt from corporate taxes, to the extent of operating within its charitable objectives. Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

(i) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the Trust's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated is determined by analysis of staff time sheets completed on a daily basis.

(j) Tangible fixed assets

Tangible and Intangible fixed assets costing more than £500 are capitalised at cost and are depreciated over their estimated useful lives as follows:

Freehold property	2% straight line
Computer equipment	33.3% straight line
Database	33.3% straight line
Fixtures, fittings and equipment	10% - 20% straight line

The need for any impairment of a fixed asset write-down is considered if there is concern over the carrying value of an asset and is assessed by comparing that carrying value against the value in use or realisable value of the asset when appropriate.

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31 December 2021

(k) Investment properties

Investment properties are valued by the trustees at fair value and are not depreciated.

The statement of financial activities includes the net gains and losses arising on the revaluation and disposals throughout the year.

(l) Programme related investments – concessionary loans

Concessionary loans are initially recognised and measured at the amount paid, with the carrying amount adjusted in subsequent years to reflect repayments and any accrued interest and adjusted if necessary for any impairment. Any impairment losses are immediately recognised in the Statement of Financial Activities.

The Trust agrees advances to churches which are subject to agreements that are signed by the church for the full value of the advance as soon as the advance is agreed but funds are only drawn down by the church as required. Where the advance is for rebuilding or renovation costs the full value of the advance may not be drawn down in the same year as that in which the agreement is signed. In these cases, the value of the advance reported in the accounts is that which has been drawn down in the year not the full value of the advance.

(m) Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the bid price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Trust does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

(n) Debtors

Sundry debtors are recognised at the settlement amount due. Prepayments are valued at the amount repaid net of any trade discounts due.

(o) Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

(p) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31 December 2021

(q) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Fixed assets are recognised at cost less depreciation and investments are recognised at their fair value being the market value, all other assets and liabilities are measured at cost being their fair value.

(r) Pension

Pension contributions to a defined contribution pension scheme are charged to the statement of financial activities as they occur. These contributions are invested separately from the Trust's assets.

2 - INTEREST ON ADVANCES

Interest on advances as received from the member churches of SNU are disclosed as charitable activities as they are fulfilling a primary purpose of the Trust.

3 - INVESTMENT INCOME

	2021 £	2020 £
Bank and other interest receivable	2,201	8,329
Income from listed investments	214,725	169,360
	216,926	**177,689**

Income from listed investments consists of:

	2021 £	2020 £
Income from Global equities	20,891	11,796
Income from UK equities	79,908	55,774
Income from UK fixed interest / bonds	15,633	16,482
Income from overseas equities	40,600	37,255
Income from overseas fixed interest	6,336	3,719
Income from alternative investments	51,357	44,334
	214,725	**169,360**

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31 December 2021

4 - RAISING FUNDS

	2021 £	2020 £
Investment portfolio management fees	38,415	50,510
Bank charges and interest	676	742
Support costs and governance (note 6)	6,909	6,275
	46,000	**57,527**

All expenditure in the current and prior year relates to unrestricted funds.

5 - CHARITABLE ACTIVITIES

	2021 £	2020 £
Interest paid on investor deposits	111,794	122,702
Support costs (note 6)	192,233	186,049
Grants to Members	5,740	
	309,767	**308,751**

Included within charitable activites are restricted funds of £4,783 (2020: £1231)

GRANTS TO INSTITUTIONS

Included within charitable activities are grants made to 14 churches amounting to £5,740 (2020: £1231) as follows:

Aberkenfig Spiritualist Church
Ashington and Bedlington Spiritualist Church
Bideford Spiritualist Church
Birkenhead Spiritualist Church
Bitterne Spiritualist Church
Bodmin Spiritualist Church
Bury Spiritualist Centre
Darlington Spiritualist Church
Derby Charnwood Spisitualist Church
Eastwood National Spiritualist Church
Southall Spiritualist Church
Southampton (Cavendish Grove) Spiritualist Church
Warrington Spiritualist Church
York Spiritualist Centre

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31 December 2021

6 - ALLOCATION OF SUPPORT COSTS

Current Year

Cost Type:	**Basis of allocation** **£**	**Charitable activities** **£**	**Raising Funds** **£**	**Total 2020** **£**
Governance:				
Auditor's remuneration	Direct	21,420	-	21,420
Management committee expenses	Direct	419	-	419
Trustees' indemnity insurance	Direct	370	-	370
AGM expenses	Direct	2,321	-	2,321
Legal & professional fees	Direct	4,382	-	4,382
		28,912	**-**	**28,912**
Support:				
Staff costs	Staff time	102,092	4,320	106,412
Staff training	Staff time	261	11	272
Depreciation	Staff time	22,059	933	22,992
Stationery and advertising	Staff time	950	40	990
Water rates	Staff time	58	2	60
Office expenses	Staff time	20,000	846	20,846
Equipment rental	Staff time	-	-	-
Telephone	Staff time	1,200	51	1,251
Postage	Staff time	105	4	109
Repairs and maintenance	Staff time	11,383	482	11,865
Light and heat	Staff time	2,347	99	2,446
Insurance	Staff time	2,866	121	2,987
		192,233	**6,909**	**199,142**

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31 December 2021

6 - ALLOCATION OF SUPPORT COSTS (continued)

Prior Year

Cost Type:	**Basis of allocation** £	**Charitable activities** £	**Raising Funds** £	**Total 2020** £
Governance:				
Auditor's remuneration	Direct	26,220	-	26,220
Management committee expenses	Direct	748	-	748
Trustees' indemnity insurance	Direct	440	-	440
AGM expenses	Direct	5,039	-	5,039
Legal & professional fees	Direct	5,319	-	5,319
		37,766	**-**	**37,766**
Support:				
Staff costs	Staff time	104,142	4,407	108,549
Staff training	Staff time	248	10	258
Depreciation	Staff time	19,966	845	20,811
Stationery and advertising	Staff time	1,953	83	2,036
Water rates	Staff time	48	2	50
Office expenses	Staff time	13,665	578	14,243
Equipment rental	Staff time	718	30	748
Telephone	Staff time	1,272	54	1,326
Postage	Staff time	494	21	515
Repairs and maintenance	Staff time	1,563	66	1,629
Light and heat	Staff time	2,118	90	2,208
Insurance	Staff time	2,096	89	2,185
		186,049	**6,275**	**192,324**

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31 December 2021

7 - NET INCOME/(EXPENDITURE):

Net income/(expenditure) is stated after charging:

	2021 £	**2020** £
Auditor's remuneration - audit services	21,000	20,255
Auditor's remuneration - accountancy	420	1,945
Depeciation	22,992	20,811
Operating lease rentals - plant & machinery	-	749

8 - STAFF EMOLUMENTS

	2021 £	**2020** £
Wages and salaries	92,138	93,837
Social Security costs	9,060	9,329
Employer's contribution to defined contribution pension scheme (note 9)	9,214	9,384
	110,412	**112,550**

The average number headcount of employees during the year was made up as follows:

	2021	**2020**
Office and administration	3	3

No employees had emoluments in excess of £60,000 (2020: none).

The Trust considers its key management personnel comprise the Finance Manager and other Trust Staff as appropriate. This therefore includes all 3 members of staff and their aggregate remuneration as noted above. Included within other trading income is £50,281 (2020: £45,781) in relation to salaries recharged to other organisations during the year.

None of the trustees received any remuneration or benefits in kind from the Trust during the period (2020: £Nil).

Expenses relating to travel and subsistence for attendance at trustee meetings were reimbursed to 4 trustees (2020: 4) during the period and amounted to £2,740 (2020: £5,786).

During the period Trustees Indemnity Insurance was purchased for £370 (2020: £440).

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31 December 2021

9 - PENSION COSTS

The Trust operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Trust in an independently administered fund. Contributions payable by the Trust amounted to £9,214 (2020: £9,384). At the year end, contributions totalling £625 (2020: £823) remained outstanding and are included in sundry creditors.

10 - INVESTMENT PROPERTIES

Valuation	**2021 £**	**2020 £**
As at 1 January 2021	1,707,500	1,955,000
Revaluation	-	(247,500)
As at 31 December 2021	**1,707,500**	**1,707,500**

The properties were revalued on 12 November 2018 by Philip Moses MRICS of Moses Rutland Chartered Surveyors in accordance with the requirements of RICS Valuation-Professional Standards 2017 and FRS102. In 2021 a revaluation of the properties was undertaken and the material uncertainty related to COVID-19 has now been removed.

11 - TANGIBLE FIXED ASSETS

	Freehold property £	**Computer equipment £**	**Fixtures, fittings and equipment £**	**Total £**
COST				
As at 1 January 2021	203,333	19,067	4,989	227,389
Additions	-	4,954	-	4,954
Disposals	-	-	(297)	(297)
Transfer to Intangible assets	-	(3,120)	-	(3,120)
	203,333	**20,901**	**4,692**	**228,926**
DEPRECIATION				
As at 1 January 2021	7,400	8,224	1,119	16,743
Depreciation on Disposal	-	-	(297)	(297)
Charge for year	4,067	7,069	469	11,605
Transfer to Intangible assets	-	(693)	-	(693)
	11,467	**14,600**	**1,291**	**27,358**
NET BOOK VALUE				
At 31 December 2021	**191,866**	**6,301**	**3,401**	**201,568**
At 31 December 2020	**195,933**	**10,843**	**3,870**	**210,646**

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31 December 2021

12 - INTANGIBLE ASSETS

	Computer equipment £	**Total £**
COST		
As at 1 January 2021	30,000	30,000
Additions	-	-
Transfer from Tangible assets	3,120	3,120
	33,120	**33,120**
AMORTISATION		
As at 1 January 2021	11,040	11,040-
Charge for year	11,387	11,387
Transfer from Tangible assets	693	693
	23,120	**23,120**
NET BOOK VALUE		
At 31 December 2021	**10,000**	**10,000**
At 31 December 2020	**18,960**	**18,960**

13 - FIXED ASSET INVESTMENTS

The charity holds more than 20% of the share capital of the following company:

Higginson Securities Limited is a company limited by guarantee and incorporated in the United Kingdom. The company is dormant.

Cost Type:	**Holding £**	**Capital and Reserves 2021 £**	**Profit/(Loss) for the year 2021 £**
Higginson Securities Limited (company no: 04208575)	100	1	-

The financial statements contain information about the Trust as an individual charity and do not consolidate the subsidiary undertaking, Higginson Securities Limited (a company limited by guarantee), on the basis that it is a dormant company.

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31 December 2021

14 FIXED ASSET PROGRAMME RELATED INVESTMENTS

	2021 £	2020 £
PROPERTY - PALMERSTON PLACE		
Cost at 1 January	1,015,982	1,015,982
As at 31 December	**1,015,982**	**1,015,982**
CONCESSIONARY LOANS		
Cost at 1 January	772,402	783,120
Repayments	(31,048)	(10,718)
Cost at 31 December	741,354	772,402
Total Programme reated investments	**1,757,336**	**1,788,384**

All concessionary loans made by the Trust are charged interest at 3.75% and are secured by way of a first legal charge on the properties to which the loans relate. These relate to loans given to member churches of the SNU which are part of the charitable purposes of the Spiritualists' National Union Trust. There were no concessionary loans committed to or offered but not taken up at the period end (2020: £Nil).

For information:		
Loans due within one year	35,959	19,113
Loans due after more than one year	705,395	753,290
Total Programme reated investments	**741,354**	**772,402**

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31 December 2021

15 - INVESTMENTS

	2021 £	2020 £
MARKET VALUE		
At 1 January	7,114,453	6,203,777
Additions	769,117	3,000,851
	7,883,570	9,204,628
Disposals proceeds	(634,075)	(2,431,757)
Realised gains on investments	39,646	40,204
Unrealised gains on investments	810,901	259,191
Movements in cash accounts	8,100,042	7,072,266
	(152,555)	42,187
Market value at 31 December	7,947,487	7,114,453
Historical cost at 31 December	**6,487,449**	**5,437,664**

Investments are allotted to each range as follows:	2021 £	2020 £
UK equities	1,865,573	1,864,331
UK fixed interest / bonds	853,668	669,925
Overseas fixed interest / bonds	-	209,052
Overseas equities	3,223,021	2,381,558
Alternative investments	1,180,195	850,484
Quilter Cheviot Investor Growth Fund	803,805	712,324
Cash	21,225	173,780
	7,947,487	**7,114,453**

All investments are held primarily for the purpose of providing an investment return.

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31 December 2021

16 - DEBTORS

	2021 £	2020 £
Trade debtors	3,715	3,377
Other debtors	10,851	14,333
Prepayments and accrued income	3,645	1,922
	18,211	**19,632**

17 - CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Investors' balances:		
Deposit account	231,739	255,294
Investment accounts	4,595,323	5,001,107
Super accounts	63,809	63,239
Fixed rate bonds	1,218,333	1,262,701
Regular saver plus accounts	17,353	5,570
	6,126,557	**6,587,911**
Trade creditors	1,905	3,751
Sundry creditors	770	978
Accruals	20,052	21,210
Tax and social security	2,296	2,554
	6,151,580	**6,616,404**

CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021 £	2020 £
Investor's Balances - Fixed Rate Bonds	1,956,575	2,191,037
	1,956,575	**2,191,037**

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31 December 2021

18 - FUNDS: MOVEMENTS IN YEAR

CURRENT YEAR	1 January 2021 £	Income £	Expendture £	Transfers £	Gains/ (losses) £	31 Dec 2021 £
Unrestricted Funds						
General funds	225,000	50,281	(312,569)	262,288	-	225,000
Designated Funds						
Church deposits	1,188,130	22,713	-	329,503	-	1,540,346
Investments	922,339	216,926	(38,415)	(486,062)	850,547	1,465,335
Properties	218,900	159,068	-	(67,609)	-	314,824
Modernisation	50,000	-	-	(43,120)	-	6,880
Ray Taylor Memorial	-	-	-	5,000	-	5,000
Investment property						
Valuation Reserve	564,936	-	-	-	-	564,936
Restricted Funds	4,783	-	(4,783)	-	-	-
	3,176,553	**450,988**	**(355,767)**	**-**	**850,547**	**4,122,321**

The restricted fund is the Ray Taylor Memorial Fund in memory of Ray Taylor, a former trustee of the previous unincorporated entity, The SNU Trust, and the funds were donated to the new entity,Spiritualist's National Union Trust, and have been fully utlised during the year. A new Desigated Fund in memory of Ray Taylor has been established, further details can be found in the Trustees Annual Report.

PRIOR PERIOD	1 January 2020 £	Income £	Expendture £	Transfers £	Gains/ (losses) £	31 Dec 2020 £
Unrestricted Funds						
General funds	225,000	45,781	(320,081)	274,300	-	225,000
Designated Funds						
Church deposits	1,074,131	28,517	-	85,482	-	1,188,130
Investments	694,631	177,689	(46,197)	(203,179)	299,395	922,339
Properties	218,900	159,068	-	(156,602)	-	221,365
Restructure	50,000	-	-	-	(247,500)	564,936
Modernisation	-	-	-	50,000	-	50,000
Investment property						
Valuation Reserve	812,436	-	-	-	(247,500)	564,936
Restricted Funds	6,014	-	(1,231)	-	-	4,783
	3,081,112	**411,055**	**(367,509)**	**-**	**51,895**	**3,176,553**

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31 December 2021

19 - NET CURRENT ASSETS

CURRENT YEAR	Fixed Assets £	Net current assets / (liabilities) £	Creditors greater than one year £	Fund balance £
Unrestricted Funds General funds	8,086,396	(5,904,821)	(1,956,575)	225,000
Designated Funds				
Church deposits	-	1,540,346	-	1,540,346
Investments	1,465,335	-	-	1,465,335
Properties	314,824	-	-	314,824
Modernisation	-	6,880	-	6,880
Ray Taylor Memorial	-	5,000	-	5,000
Valuation Reserve	-	564,936	-	564,936
	9,866,555	**(3,787,659)**	**(1,956,575)**	**4,122,321**

PRIOR PERIOD

Unrestricted Funds General funds	7,907,857	(5,491,820)	(2,191,037)	225,000
Designated Funds				
Church deposits	-	1,188,131	-	1,188,131
Investments	922,338	-	-	922,338
Properties	221,366	-	-	221,366
Modernisation	-	50,000	-	50,000
Investment Property Valuation Reserve	-	564,936	-	564,936
Restricted Funds		6,014		6,014
	9,051,559	**(3,683,970)**	**(2,191,037)**	**3,176,553**

20 - OPERATING LEASES

LESSOR:

At 31 December 2021 the Trust had agreed commitments as a lessor under non-cancellable operating leases to receive the receipts as follows:

	2021 £	2020 £
Investment Properties:		
Not later than one year	164,044	161,068
Later than one year and not later than five years	517,265	607,309
Greater than five years	633,833	704,417
	1,315,142	**1,472,794**

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31 December 2021

21 - RELATED PARTIES

During the year, some members of the SNU Trust Board were part of the member churches who undertook transactions with the SNU Trust. All of these transactions were part of the normal activities of the Trust and were not influenced or controlled by those members of the Board. There are no other related party transactions (2020: none).

22 - RECONCILIATION OF NET INCOME TO NET CASHFLOW IN OPERATING ACTIVITIES

	2021 £	2020 £
Net Income	945,768	95,441
Adjusted for:		
Depreciation charges	22,992	20,811
Gains on investments	(850,547)	(51,895)
Cash movement on investment portfolio	152,555	(46,124)
Dividends interest and rents from investments	(377,994)	(336,757)
Decrease in debtors	32,471	10,059
(Decrease)/Increase in creditors	(699,288)	(403,628)
Net cash provided by operating activities	**(774,043)**	**(712,903)**

22 - ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021 £	2020 £
Cash at hand	588,374	1,124,419
Total	**588,374**	**1,124,419**

23 - ANALYSIS OF NET DEBT

	At 1 Jan 2021 £	Cash flows £	Other non-cash changes £	At 31 Dec 2021 £
Cash and cash equivalents:				
Cash at bank and in hand	1,124,419	(536,045)	-	588,374
Total	**1,124,419**	**(536,045)**	**-**	**588,374**

SNU TRUST SAVINGS ACCOUNTS

	CURRENT INTEREST RATE		FURTHER DETAILS
INSTANT ACCESS			
DEPOSIT ACCOUNT	0.25%	Instant Access	All members must have a deposit account with a min of £250 - this then gives them access
INVESTMENT	0.75%	Instant Access	Withdrawals can be made by scanning authority to office
REGULAR SAVER	1.00%	Monthly deposits of £1 - £100	Account runs for 12 months but can be renewed if desired
	1.50%	Monthly deposits of £101 - £249	
	2.00%	Monthly deposits of £250 - £1,000	
FIXED TERM			
One Year FRD	1.25%	Minimum deposit £5000	Interest paid on maturity
Two Year FRD	2.25%	Minimum deposit £5000	Interest paid on maturity
1-4-1	4.00%	£1000 of new money for 1 Year	Available from 15 October 2022

CHURCH ADVANCE (LOAN PRODUCT)

Loans are availble from the SNU Trust based on affordability by the church.

All loans must be secured on the church building.

Regular monthly repayments.

No administration fees or early redemption charges.

Lump sum reductions allowed with no penalties.

We are Not For Profit and actively encourage churches to repay as soon as possible to ensure they pay no more interest than necessary.

TRUSTEES

TREVOR CRITCHLEY (CHAIRMAN)

0207 733 6171
trevor.critchley@snutrust.co.uk

TIM COOMBE

07876 598740
tim.coombe@snutrust.co.uk

JANE BARTON

07845 944765
jane.barton@snutrust.co.uk

KEN SMITH

01379 678197
ken.smith@snutrust.co.uk

STAFF

JULIE ROGERS

julie@snutrust.co.uk

LESLEY GILBEY

lesley@snutrust.co.uk

NADINE YOUNG

nadine@snutrust.co.uk

SNU TRUST

Burton End Lodge
Stansted Hall
Stansted
Essex
CM24 8UD

01279 814158
office@snutrust.co.uk
www.snutrust.co.uk

REGISTERED OFFICE:

276902 (England and Wales) SCO43897 (Scotland)

SNU TRUST ·FINANCE·

A Mutual Building Society for Churches

Burton End Lodge, Stansted Hall,
Stansted Essex CM24 8UD

01279 814158

office@snutrust.co.uk

www.snutrust.co.uk

SPIRITUALISTS' NATIONAL UNION TRUST

England & Wales - Charity number 1182379

Accounts

ANNUAL REPORT

Report and Statement of Accounts 2020

Investing in Spiritualist Churches since 1926

SPIRITUALISTS' NATIONAL UNION TRUST
(TRADING AS SNU TRUST)

SNU TRUST FINANCE

A Mutual Building Society for Churches

www.snutrust.co.uk

ANNUAL REPORT

Report and Statement of Accounts 2020

CONTENTS

MESSAGE FROM OUR CHAIRMAN	04
MINUTES OF THE 2020 SNU TRUST AGM	07
SNU TRUST ANNUAL REPORT	11
Activities and monitoring achievements	15
Palmerston Place	16
Online Open Forum	25
FINANCIAL REVIEW	27
Property Investments	29
Independent auditors report to the trustees of SNU trust	35
Trust Savings Accounts	58
Trustees & Staff	59

A MESSAGE FROM OUR CHAIRMAN

Dear Member

This time last year, we were all hoping that a path out of lockdown was emerging and churches were able to think about the reopening of their doors. Unfortunately, at the time of writing, we find ourselves again emerging from national restrictions and it's clear that changes we have made to our routines in the last year will continue to dominate our lives for some time to come.

2020 was of course a remarkable year. The pandemic is a unique experience that has affected all of our lives in different ways and to different extents, and for which there has been no roadmap. Whether it is concerns about loved ones catching the virus or waiting to receive the vaccine, a desire to meet with family and friends, or a wish for life to return to normal, there remains much to occupy our minds.

However, there are reasons for optimism.

The speed with which multiple vaccines have become available, along with the tremendous efforts of all health workers and volunteers, means that we are all now able to recognise the benefits of a swift roll-out of the vaccination programme. There is now, hopefully, an end in sight to the disruptions we have all experienced over the past year. We do not know exactly when the full benefits will be felt and we can return to a more normal life, but I am confident it means the second half of 2021 will be markedly – and positively – different to the first.

With all that Spiritualist churches have faced, it is understandable that many members are apprehensive about the immediate future and therefore our role at the SNU Trust has never been more important than it is now. We recognise the impact that the pandemic has had on all church's finances, but I want to reassure you that we are ready to help in whatever way we can to ensure that as a movement, Spiritualism emerges from these extraordinary times stronger and more united than ever.

I would like to take this opportunity to thank my fellow Trustees and our wonderful staff for what you have done to weather this crisis and in getting the Trust prepared to cope with this situation. Your resolve, dedication and commitment makes all the difference.

And finally, thanks to our members who I trust already know this, - we continue to be here for you, working hard to ensure that you have the assistance and support you need. Our amazing staff continue to work and are available on their normal telephone numbers and email addresses.

The SNU Trust is open for business.

I am confident that before too long, life will return to something more familiar, and better.

Trevor Critchley | Chairman

“Spiritualism emerges from these extraordinary times stronger and more united than ever.”

MINUTES OF THE ANNUAL GENERAL MEETING OF THE SNU TRUST

HELD ON SATURDAY 26TH SEPTEMBER 2020

AT BURTON END LODGE, STANSTED HALL, STANSTED, ESSEX CM24 8UD

1. Welcome

Trevor Critchley opened the meeting and stated for the record that due to the impact of the Covid-19 pandemic, alternative arrangements have been put in place for the AGM this year.

All members had been notified that the Government's most recent social distancing legislation and guidelines to combat the Covid-19 pandemic continue to prohibit large indoor gatherings. In recognition of the difficulties that this presents for the holding of Annual General Meetings (AGMs), new legislation was enacted in June 2020 to make it easier for companies, charities and other bodies to comply with legal requirements on holding AGMs while keeping their members safe.

The Board of Trustees had carefully considered the options available under the new legislation and took the decision, in the interests of the safety and wellbeing of our members, that this year's AGM will take place with attendance in person restricted to the Chair of Trustees and a minute taker.

This means that no members will be permitted to attend the meeting in person this year, and any member who attempts to attend the meeting in person will be refused entry. Instead of attending in person, all members were required to attend by proxy by appointing the chair of the meeting for this purpose. This ensured that all members have the opportunity to express their views by voting on all matters to be brought before the meeting.

An Open Forum was held by the SNU Trust on Saturday 5 September 2020 via video conference to provide members with an opportunity to raise any questions or concerns before deciding how they wish to vote on their Proxy Form.

Credential Report:
Proxy Forms Received 29

2. Open Forum

During the Open Forum on 5 September two questions were raised by members that the Chairman felt should be minuted at the Annual General Meeting.

CHRISTINE THOMPSON ON BEHALF OF NORTH YORKSHIRE DC.

Christine asked for an update regarding any further proposed investment in the care homes as reference in the Trustees Annual Report.

The SNUT Trustees informed the meeting that more detailed proposals had been requested from the tenant, Choice Care Group, however due to the situation around Covid-19, Choice had decided to delay any further discussions at this time.

MINISTER MYRRHA HIBBERT ON BEHALF OF EASTWOOD SPIRITUALIST CHURCH.

Minister Hibbert asked about churches who have advance repayments due to the SNU Trust, and what the Trust's expectations are in terms of churches recommencing repayments?

The SNU Trust will be contacting all affected churches during September to understand their individual situations and to try and establish a way forward for the coming six months. It was stressed that there is no expectation of repayments to be restarted at the full amount until the church was back open and operating in a way that would allow them to afford repayments. Should any churches be concerned then they were encouraged to contact the Trust who would be happy to assist in any way possible.

3. Motion-1

THAT the draft minutes of the 2019 Annual General Meeting be approved.

- For 28
- Against 0
- Abstain 1
- Motion Carried

4. Motion-2

THAT the draft annual report and accounts for the financial year ended 31 December 2019 be approved.

- For 29
- Against 0
- Abstain 0
- Motion Carried

5. Motion-3

THAT Price Bailey be appointed as the auditors for the Trust for the forthcoming year, and THAT the auditors' remuneration shall be determined by the Trustees.

- For 29
- Against 0
- Abstain 0
- Motion Carried

6. Declaration of Election

Valid Nominations Received:

- Trevor Critchley 23
- Ken Smith 24
- Tim Coombe 23
- Nancy Boot 21

7. Date & Venue of 2021 SNU Trust AGM

8.15pm on the Friday evening of the SNU AGM 2021 in Norwich.

IN ATTENDANCE:
Trevor Critchley (Chairman) | Lesley Gilbey

SNU TRUST ANNUAL REPORT

& FINANCIAL STATEMENTS FOR THE PERIOD ENDING 30 DECEMBER 2020

Registered in England No. 11382378
Charity No 1182379 (England & Wales)
Charity No SC049738 (Scotland)

The Trustees have pleasure in presenting their Annual Report together with the audited financial statements for the charity for the period ended 31 December 2020 and confirm they comply with the Charities Act 2011, the Charities Statement of Recommended Practice second edition 2019 and FRS 102.

THE ONGOING IMPACT OF COVID-19

During 2020, the SNU Trust took steps to manage the impact of Covid-19 on the charity and as an organisation, the Trust have recognised that working practices and the requirements of members has changed as the unprecedented worldwide situation continues.

To this end, the Board and staff have continued to assess the changing environment and have taken the following remedial actions.

Governance of the Charity

HEAD OFFICE

Head Office has continued to operate normally during the last year and there has been no impact to the service provided to members.

Whilst staff have the ability to work from home when appropriate, all employees have their own office allowing the Trust provides a safe Covid secure working environment.

MEMBERS

It has been noticeable throughout the last year that there has been an increase in churches who have contacted the Trust staff for support and advice.

We continue to encourage all churches, members and non-members, to use the SNU Trust as a contact point for any type of financial issues; the Board appreciates that all churches face a difficult time and are here to assist when called upon. Staff continue to be proactive by keeping in touch with all churches offering guidance and information.

RAY TAYLOR MEMORIAL FUND

The Ray Taylor Memorial Fund was established in memory of Ray Taylor, a former trustee of the SNU Trust, who was a proponent of churches facing financial hardship.

During 2020 the Trust became aware of a number of member churches who required financial support to cover urgent expenses. The Board were delighted to be able to assist three churches by making small grants to cover small bills and to allow for outside lighting to enable a church to use a side door as a dedicated exit. Whilst modest, the grants were awarded at a difficult time for the churches and the Trust were glad to be able to assist.

The Trustees are conscious that the fund may, in time, be fully utilised and therefore to ensure the continuance of the Fund, the Board of Trustees has committed to set aside 1% of the net surplus of funds (before net gains on investments) generated in 2020 to create a designated fund in memory of Mr Taylor when required.

2020

ANNUAL GENERAL MEETING

In 2020, after careful consideration of all options available, the Board of Trustees took the difficult decision, in the interests of the safety and wellbeing of the members, for the AGM to place with attendance in person restricted to the Chair of Trustees and a minute taker.

To ensure that all members had the opportunity to express their views by voting by proxy on all matters to be brought before the meeting, the Board of Trustees held an Open Members' Forum on 5 September 2020 to give members the opportunity to raise any questions or concerns before deciding how they wished to vote.

2021

ANNUAL GENERAL MEETING

It was the Board's wish to revert to an in-person meeting in July 2021 however circumstances are such that again the Trust has assessed all options and has once again had to conclude that it is in the best interests of everyone not to go ahead in Norwich as previously hoped.

It is the intention of the Trust to invite all members to an Open Forum in order that the Board can take questions on matters that members may wish to discuss prior to asking members to once again vote by proxy.

Financial Impact

SHORT TERM

As outlined in last year's Trustees report the SNU Trust was mindful of a reduction in investment income and made an allowance of a decline of 30% after discussions with the Trust's investment Broker, Quilter Cheviot. However dividend income generated on the portfolio, when compared with 2019, reduced by 15% contributing to the surplus made during the accounting period.

Choice Care Group, tenants of the investment properties owned by the SNU Trust, experienced no business interruption during the year and all rental income was received as expected.

After discussions with Palmerston Trust, it was agreed to defer three months rental income with the arrears being repaid monthly throughout 2021.

All churches who have loans outstanding with the SNU Trust were contacted throughout 2020 to provide help and support; the Trust understands that all churches are experiencing financial difficulties and arrangements appropriate to each church's needs were agreed. This level support has continued throughout 2021 and the Trust will remain in touch with all affected churches for as long as is necessary.

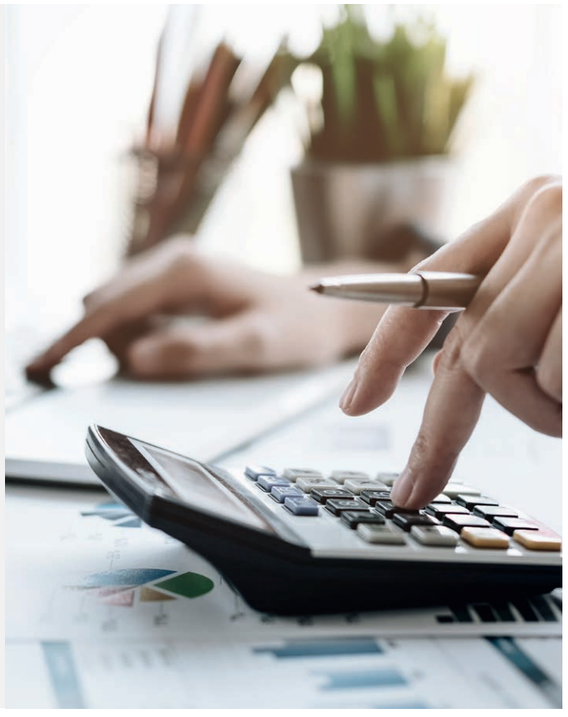
The changes and restrictions placed on activities such as trustee meetings during the year resulted in lower-than-normal costs, supporting the surplus for the year, thus avoiding the need to draw down on reserves.

The SNU Trust continues to hold substantial cash reserves which are immediately available and therefore there are no plans to release any funds from the investment portfolio.

LONGER TERM

The Trustees have met on a quarterly basis with Quilter Cheviot Investment brokers and both portfolios held have increased in value during the accounting period.

As the situation continues to evolve during 2021, the Board will closely monitor any changes however the Trustees are confident that the SNU Trust is well placed to absorb any impact of world events during 2021 and have no concerns around the charity's ability to continue as a going concern.



ACTIVITIES AND MONITORING ACHIEVEMENTS

Objectives and Activities

The Spiritualists National Union Trust was registered as a charitable company in May 2018 and took over the assets of the SNU Trust, created in 1926, on 1 May 2019. The Trust was established to continue the work of the previous entity whilst ensuring that its business model was fit for the 21st century.

Detailed in the articles of the SNU Trust are objectives which promote the advancement and diffusion of Spiritualism by providing financial assistance to Spiritualist National Union affiliated spiritualist churches.

The support afforded to members is three-fold:

- ✓ Providing investment opportunities that pay credit interest Rates which are competitive with other financial institutions
- ✓ Making available Advances (loans) to members to enable them to finance the building of new (or repair of existing) church buildings which provides the facility for members of the public to worship the religion of Spiritualism in their local community.
- ✓ Approving grants to assist churches in need.

The Charity is aware that social and economic circumstances have changed considerably since the Trust was originally formed and not all churches are able to afford the costs involved in owning and maintaining their own premises.

The Trust therefore ensured that its objects allowed the organisation to purchase and make available properties by way of lease, this is an area that the board are keen to pursue in the coming years.

Public Benefit Statement

The Trust has regard to the Charity Commission guidance on public benefit and how SNU churches exist to promote the seven principles of Spiritualism which encourages its followers to become socially responsible within the wider community.

The Trust, by financially supporting SNU Spiritualist churches, encourages a religious practice that leads to promoting spiritual welfare and improvement of society.

PALMERSTON PLACE

The SNU Trust owns a property in Edinburgh which, for eight years, has been home to both Edinburgh Association of Spiritualists and Palmerston Trust, a charity based in Scotland whose objects are based around the Seven Principles. The property is held as a charitable investment and as such, the Board of the SNU Trust has scope to take into consideration the aims of the tenant when reviewing the investment as part of the Trust's wider portfolio.

A full review of the income received on the property was undertaken and it was noted that whilst the rent charged to Palmerston Trust should be reflective of its core objects of the furtherance of spiritualism, it was agreed that this must be balanced against the need to ensure a return that would ultimately enable the charity to pass any financial benefit on to all members.

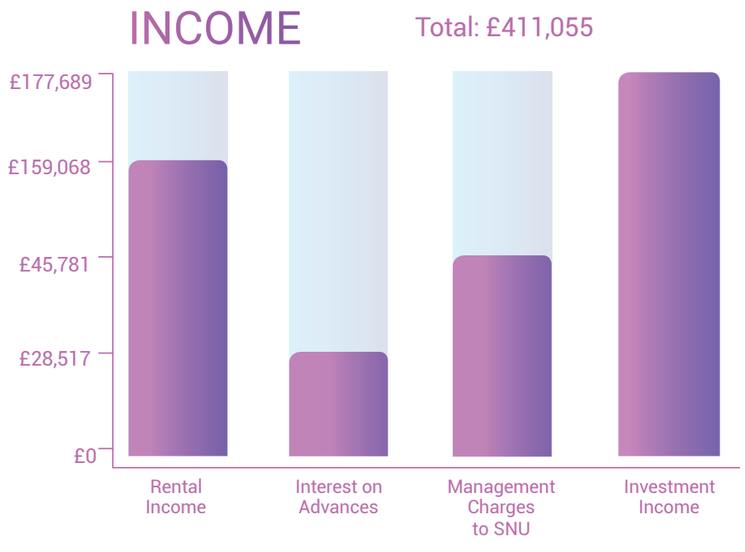
During 2020 the Trust have worked with both Palmerston Trust and Edinburgh Association to revise and renew the lease agreements in place. As stated in the previous Trustees report, the Board continued to work towards obtaining a return equivalent to that expected by the SNU Trust from members' loans.

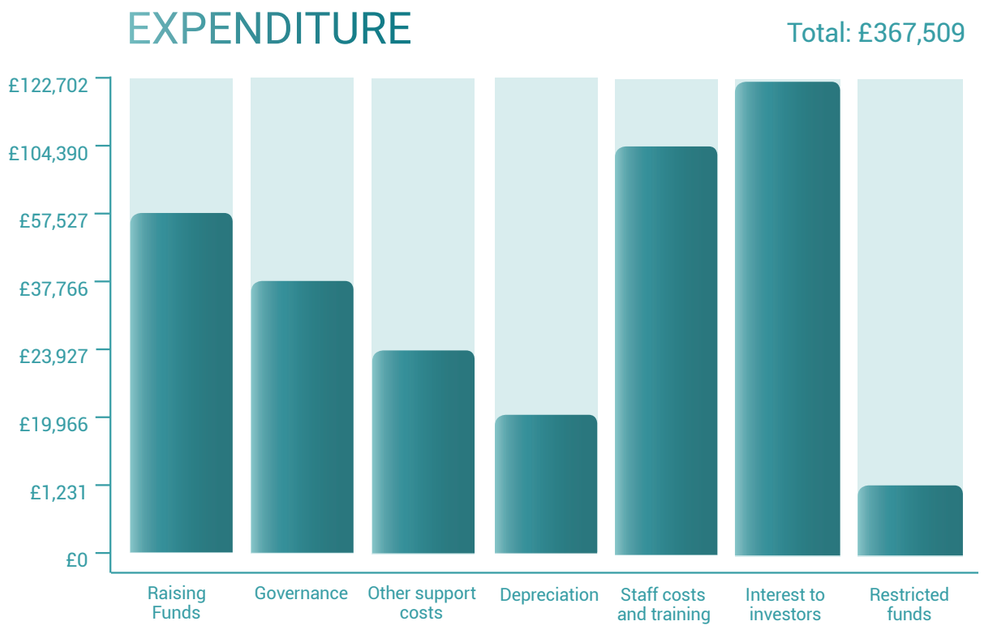
The Trustees are pleased to report that both Palmerston Trust and Edinburgh Association have approved and signed new five-year agreements which incorporate annual rental uplifts which will result in a return on investment of 3.75% in the final year.

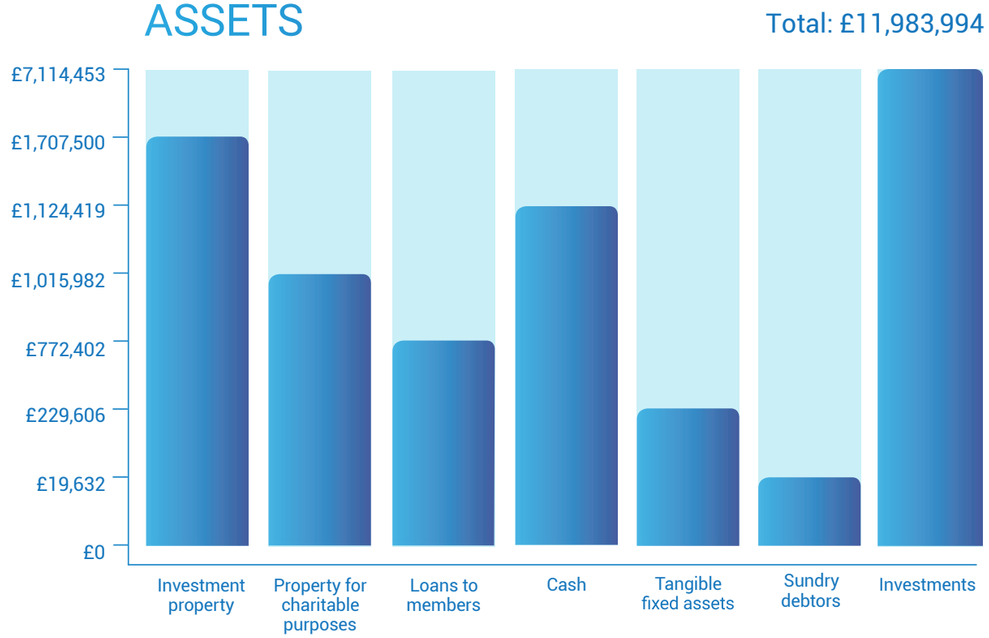
Monitoring Achievements

The SNU Trust derives its income from dividends paid on a portfolio of stocks and shares managed by Quilter Cheviot, rental income from properties, interest paid by members on Advances and management charges to the Spiritualists' National Union for accounting services.

During the accounting period interest paid out to members formed the largest expense for the SNU Trust.







Of the assets shown above, £8,807,441 relates to church deposits and sundry creditors leaving £3,176,553 in SNU Trust reserves.

Investment Brokers

The SNU Trust continue to work closely with the charity's broker, Quilter Cheviot Investment Management, and during 2020 have met regularly with their account manager to assess and review the management and performance of the SNU Trust portfolio.

The objective of the portfolio remains to generate income whilst maintaining the real value of the capital over the long-term to ensure that the Trust can meet current and future expenditure requirements in line with its charitable objectives.

At the start of the year, The Trust invested a further £650,000 in an additional portfolio with Quilter Cheviot, with all income generated by the new portfolio to be reinvested back into the portfolio.

Management of the Portfolio

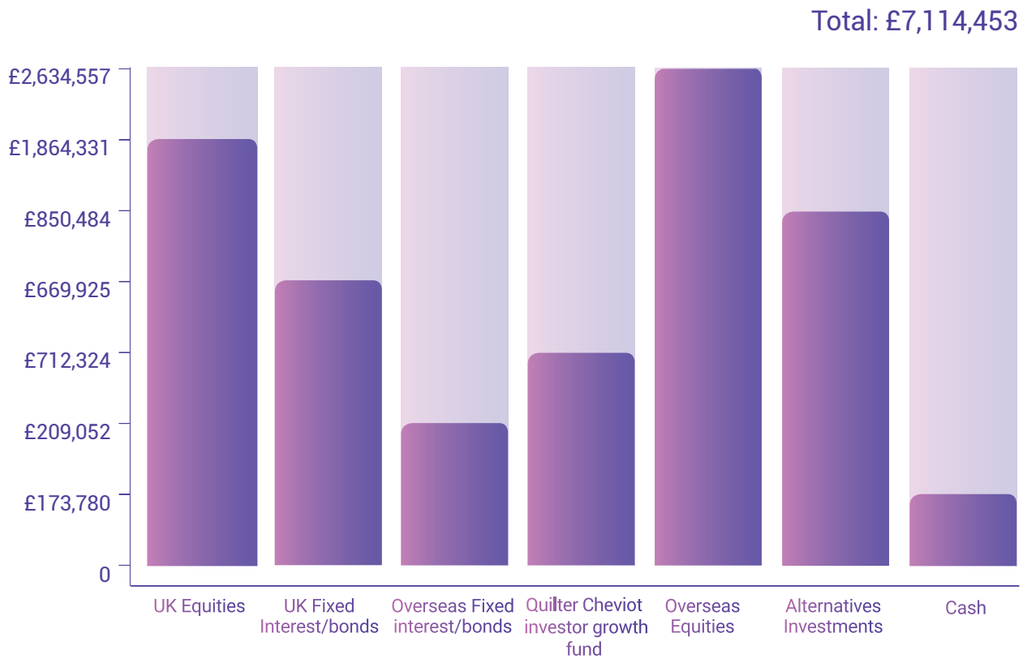
The cost of managing the portfolio by Quilters is calculated as a percentage of the value of the portfolio at the end of each month; Quilter Cheviot therefore have a vested interest in ensuring the maximum growth of the Trust's portfolio whilst ensuring that any investment adheres to the strict parameters laid out in the agreed Investment Policy.

Quilter Cheviot are instructed to manage the portfolio on a discretionary basis and they are mindful of the objective of the portfolio at all times.

Performance During the Accounting Period

The SNU Trust portfolio managed by Quilter Cheviot returned 6.6% over the year to end 2020; this was ahead of the agreed composite benchmark of market indices which returned 3.2% and the ARC Steady Growth Charity Index which returned 3.5%. The portfolio is invested in equities (UK and overseas), fixed income, property as well as infrastructure and private equity listed vehicles.

The SNU Trust has a second portfolio which is invested in the Quilter Cheviot Global Income and Growth Fund for Charities. Since investment on 8 January 2021 the return has been 9.6% to the end of 2020, versus the benchmark which is a composite of market indices, which returned 2.5% over the same period. This is invested across the same asset classes as the main fund.



INVESTMENT POLICY STATEMENT: IN ACCORDANCE WITH THE TRUSTEE ACT 2000

This Policy Statement has been prepared by the Trustees and provides guidance as to how the stock market asset management functions delegated to Quilter Cheviot Investment Management by the Trustees should be exercised. It has been formulated with a view to ensuring that the asset management functions will be exercised in the best interests of the Trust.

Investment Objectives

The Trust aims to produce the best financial return within an acceptable level of risk. Over the long term, the investment objective is to grow the capital of the portfolio as well as generating income.

The investment objective parameters are to generate as a minimum, a return of inflation plus 3.5% pa over the long term, after expenses. This should allow the Trust to at least maintain the real value of the assets, whilst funding annual expenditure.

The Trust has defined a Medium Risk tolerance with our Investment Brokers. The medium level risk tolerance allows for capital growth to be achieved in the longer term allowing for market fluctuations. The time horizon for our investments is more than 5 years which means we can accept moderate disruption to capital value or current income in order to achieve our longer-term objective.

The Trust is able to tolerate volatility of the capital value, as long as the Trust is able to meet its short-term expenditure requirements through either income or liquid capital assets.

The Trusts' investment assets can be invested widely and should be diversified by asset class and management institution. Asset classes could include cash, government and corporate bonds, equities – UK and worldwide, property, structured products, commodities and any other asset deemed suitable to meet the objectives of the Trust.

Trustees, nominated by the Trust Committee, are charged with agreeing the suitable asset allocation with the Investment Brokers, subject to overall approval of all the Trustees. All proposed changes to investments will be agreed with the nominated Trustees.

Liquidity Requirements

The Trust aims to fund its annual operational costs of £225,000 pa and its estimated payments of £150,000 for returns on investment to members. This can be funded from both income, and if necessary, capital.

A minimum of 2% of total assets should be retained in cash, or near cash products at all times – this will be held as cash at bank and in hand.

Time Horizon

The Trust is expected to exist in perpetuity and investments should be managed to meet the investment objectives and ensure this sustainability. The Trust can adopt a long-term investment time horizon.

Ethical Investment Policy

The Trustees wish to adopt an exclusionary policy in respect of investments in Armaments.

Management, Reporting and Monitoring

The Trust has appointed a professional Investment Management firm to manage the assets (with the exception of the direct property portfolio), on a discretionary basis in line with this policy. The Investment Manager will provide custody of the assets.

The Investment Managers will produce quarterly valuation and performance reports. The performance report will show the progress of the portfolio against an appropriate benchmark – likely to be the Charity Composite benchmark. In addition, capital and income transaction reports will be provided after each transaction.

Nominated Trustees and Staff members will also have access via the Investment Managers' password protected website to view the portfolios valuations and transactions. Nominated Trustee authorised signatories are provided, two of which are required to sign instructions to the Investment Manager.

The Investment Manager will meet bi-annually to review the portfolio with the nominated Trustees responsible for Investments and will report to the Board of Trustees on an annual basis.

Approval and Review

This Investment Policy Statement was prepared by the Trustees responsible for investment management of the SNU Trust to provide a framework for the management of its investment assets. It has been reviewed during 2020 and will continue to be reviewed annually to ensure continuing appropriateness.

CHURCH DEPOSITS

During the accounting period, the charity has been aware that churches are experiencing unprecedented financial pressure which will continue throughout 2021.

As anticipated, there has been an increase in church withdrawals received during 2020; churches have been utilising the funds held in the Trust to top up local bank accounts and the Trust continues to provide support and advice for member and non-members. It has been pleasing to note some churches have still felt able to invest new funds with the Trust and the Board would like to extend their thanks to those churches for their continued support.

There has been a net drop in member deposits of around 4% for the accounting period, much of which can be attributed to funds withdrawn by the Spiritualists' National Union on behalf of the Arthur Findlay College.

Products and interest rates offered to churches are reviewed at each Trustee meeting to ensure that the charity continues to encourage existing and new members to further invest with the Trust. The SNU Trust is aware of the importance of the income provided to churches by way of interest on any savings held and the Board is always mindful to hold up rates on credit balances whilst holding rates down on loans whenever possible to support members to the best of their ability.

In December 2020, the Trustees agreed to continue to hold rates at their current levels, but it is important to note that rates are kept under constant review and are subject to change. However, the Trust remains committed to sustaining the rates paid to churches wherever possible.

TRUSTEES

The SNU Trust, like all voluntary bodies, is finding it increasingly difficult to find new Trustees to welcome on to the Board and has identified this as a key risk which must be addressed.

The current Trustees are aware that in order to safeguard the future of the charity, it is important to encourage more people to get involved to ensure a continuous approach to growing the charity to support SNU churches in the future. In order to engage with members, Treasurers of all member churches of the SNU Trust have been contacted and provided with information which outlines the key responsibilities of becoming a Trustee.

Whilst the SNU Trust is primarily focused on finance, there are other areas of qualification or experience required of Trustees which would be beneficial to the charity including legal, property or governance sectors. However the Board recognises the value of any volunteer who would like to support the SNU and its affiliated churches and would be happy to lend time and experience to the organisation.

Churches have been asked to consider if anyone of their members would be interested in becoming a Trustee, or if they would like to gain a better understanding of what would be required in the role, they are encouraged to contact the SNU Trust Head Office and speak to Lesley Gilbey. Alternatively, Trevor Critchley, the Chair of the SNU Trust can be contacted directly. (Details are available at the back of this brochure.)

PLANNING FOR THE FUTURE

During the last two years the SNU Trust has been working to implement the phased introduction of a new database system made necessary by the Trust's responsibility to ensure that the software used by the charity is up-to-date and fit for purpose.

The new system is now operational and will allow the Trust to administer member accounts efficiently and also enable the Trust to communicate more effectively, something that has become even more important during the last year.

During 2021 the charity plans to redesign and relaunch the website which will be used as another useful resource for members and non-members to provide information and support.

With restrictions relating to Covid-19 continuing to dominate in the coming year, the Trustees are committed to provide continued support and guidance to all SNU churches.

FINANCIAL REVIEW

The Board of the SNU Trust considers the Reserves Policy annually and have agreed the following policy for the accounting period 31 December 2020. The policy will be kept under review to ensure that it continues to be appropriate.

KEY MANAGEMENT PERSONNEL

The Trust considers its key management personnel to comprise of the Finance Manager and other Trust staff.

REMUNERATION POLICY

The Trust aims to maintain remuneration at levels that enable they charity to recruit and retain employees of suitable calibre and motivate them to achieve their set objectives.

Remuneration of all staff is reviewed annually in December when the Board reviews the remuneration of all staff as advised by the Trustee with responsibility for Human Resources and makes decisions on adjustments required. Any changes made take into account market movements applying to the role within the sector and all decisions are subject to overall budget approval by the board for the year in question.

FINANCIAL REVIEW

The SNU Trust has agreed to adopt the following Reserves Policy for the accounting period; this will be reviewed annually to ensure that it continues to be appropriate.

Reserves Policy

The SNU Trust have agreed that the charity's desired level of unrestricted reserves should be sufficient to enable the charity to continue its day-to-day activities whilst also providing comprehensive protection for members funds invested in the SNU Trust. At the year end the level of unrestricted funds was £2,606,335.

The Trustees have agreed that the current reserve should be divided into smaller funds targeting specific areas of activity of the charity. This will give comfort that in the event of unforeseen circumstances the SNU Trust has made provision to ensure the continuation of the SNU Trust in supporting Spiritualism.

General Fund

The General Fund will cover working capital for the SNU Trust for a 12-month period, currently £225,000 and representing 7.91% of the total Unrestricted Reserves and is reviewed annually at the December meeting of the SNU Trust to ensure that the level of the fund is set at an appropriate level.

Designated Fund

MODERNISATION

The Modernisation Fund is to support the costs relating to development and roll-out of new church software, web site development, enhancement of marketing literature and other related expenses. It is anticipated that a fund of £50,000 will be sufficient for this purpose.

INVESTMENTS

Whilst the investment policy of the charity ensures that any risk is managed appropriately, the SNU Trust has taken the decision to set aside funds to provide protection for the charity in the event of a catastrophic market event which would threaten the investments held on behalf of the Trust by brokers and other financial organisations.

CHURCH DEPOSITS

A designated fund should be set aside to provide cover for church deposits. The reserve has been set at 13.53% (2019 11.74%) of the total funds held by the Trust on behalf of all members with the intention to work towards increasing this percentage to eventually match the funds held on deposit by members.

INVESTMENT PROPERTIES

This designated fund provides protection against an irrecoverable downturn affecting all the Trust's investment properties. Each building has full insurance for all eventualities thereby ensuring that all steps are taken to minimise any risk.

PROPERTY INVESTMENTS

The SNU Trust own three properties in the south of England that are leased out on long terms agreements to Choice UK who provided assisted living for adults with learning disabilities and other long-term needs; the Trust has no involvement in the management or operation of the homes.

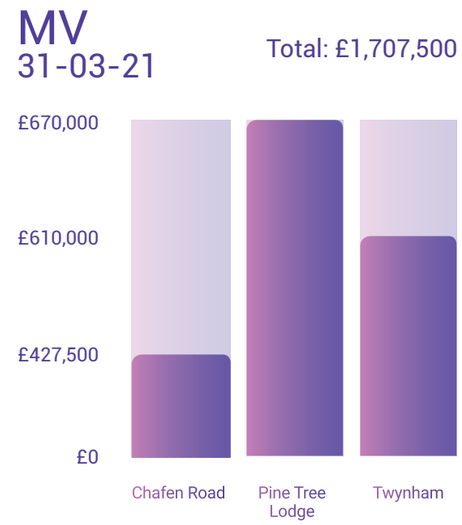
The leases on all the care homes are full repairing leases and as such, Choice UK are responsible for all repairs, maintenance, and insurance of the properties. The SNU Trust incur no costs during the year relating to these properties.

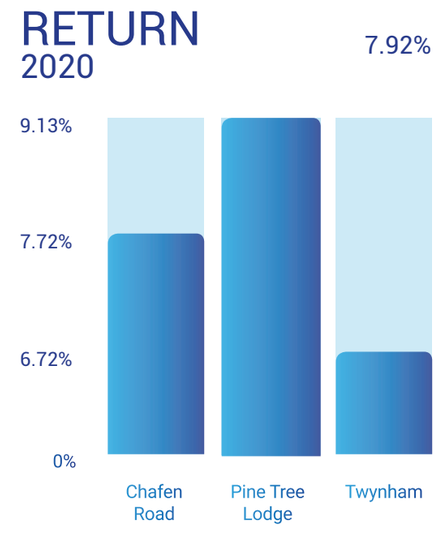
During 2020, Choice UK approached the SNU Trust with a view to investing further in the properties in return for an uplift in the rental income however Choice UK made the decision to delay any discussions until a more appropriate time. Should the tenant wish to return to this matter then the Board would be happy to consider their proposals.

The Trust regularly appraises the market value of its investment properties to ensure an appropriate income return on investment and that the valuation of the investment properties accurately reflects their market value. It was agreed by the Trustees that in light of the financial climate, it would be appropriate to ask for a formal review of valuations provided by Moses Rutland Chartered Surveyors in November 2018.

Philip Moses, of Moses Rutland Surveyors, was engaged to review the reports and the Trust has been advised that the value of the properties should be adjusted to ensure that fair value is stated in the accounts.

The SNU Trust continue to receive generous rental income from Choice UK which generates a return on Investment of 7.92%.





GOVERNANCE

Membership of the Trust is open to the Spiritualists' National Union (SNU), anybody being affiliated to or in association with the SNU, any branch or district council of the SNU and any Trust fund of which the SNU ls custodian trustee.

The Spiritualists' National Union is an organisation which spiritualist churches may affiliate to. The SNU Trust was formed to enable churches who are members of the SNU to invest in and borrow from the charity so formed.

Risk Management

The SNU Trust assess all risks the charity may encounter at each meeting and this has become even more important during 2020, identifying the following as key risks.

RECRUITMENT OF NEW TRUSTEES

The identification and recruitment of new Trustees is considered an urgent priority for the SNU Trust during 2021. There are currently four trustees, being the minimum required, and this could lead to an inability to govern in accordance with the Articles of the charity. Steps taken to address this matter have been outlined earlier in the report.

CONFLICT OF INTEREST

The Trust operates a register of interests for all Trustees and the Trust has developed and published a detailed policy on managing potential conflicts of interest and loyalty, a copy of which is published on our website and is available to download. This policy outlines the responsibility of Trustees when considering any potential conflict which may affect their ability to make a decision as part of their duty as Trustee. At each meeting of Trustees, a complete record of current declarations is circulated to the attendees and Trustees are asked to declare any changes in their register of interests and loyalty; the register includes details of membership of SNU Committees, Churches, allied Trusts and any contractual involvement that Trustees might have with members of the Trust.

A Trustee will withdraw from any discussion or decision-making in respect of any matter in which a conflict of interest may arise.

DISASTER RECOVERY PLAN

The SNU Trust has a comprehensive disaster recovery plan which is a documented, structured set of instructions to allow the Trust to respond to unplanned incidents and have the ability to continue to operate or quickly resume critical functions. The plan is accessible to all staff and Trustees and is constantly under review.

DATA SECURITY

The Trustees have taken steps to ensure that the integrity of the data and documents held by the Trust will not be compromised. Computer data is securely backed up both on and off site and its reliability is tested as part of the Trust's Disaster Recovery Plan. Important documents are kept in a fireproof safe.

FRAUD PREVENTION

The SNU Trust has adopted the Internal Financial Controls for Charities Guidance (CC8) provided by the Charity Commission to ensure that essential checks and procedures and completed to ensure that the Trust meets their legal duties to safeguard the charity's assets.

Additional measures have been implemented designed to ensure that members funds are only used for their intended purposes; the signatory mandates which are sent out to members annually have been reviewed and updated to include changes which will give further protection.

Statutory Bodies

The charity is not authorised under the Financial Services & Markets Act 2000 as its activities are considered exempt, as the charity accepts deposits only from members, which are also charities. However, the Trustees are mindful that it is important that our activities are continually monitored for compliance with FCA guidelines.

Fundraising Compliance

The Charity understands its duty to protect the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate.

The SNU Trust does not raise any funds from the general public and can confirm that no internal resources are used for this purpose. In addition, the charity does not commission a professional fund-raiser/ commercial participator for fundraising.

The charity is not subject to an undertaking to be bound by any voluntary scheme for regulating fund-raising, or voluntary standard for fund-raising in respect of activities on behalf of the charity.

The SNU Trust has adopted principals of GDPR legislation and also has policies to protect the data of members of the public from.

The Board confirms that no complaints were received during the year about activities for the purpose of fund-raising.

Related Parties

None of the Trustees receive remuneration for their duties as charitable Trustees.

Appointment and Induction of Trustees

Trustees are elected by SNU Trust member churches for a period of two years, with half retiring in alternate years. The retiring Trustees can be re-nominated and serve for a maximum of eight consecutive years, unless the Trustees consider it would be in the best interests of the charity to continue to serve beyond that point, and that the Trustee is appointed in accordance with the Articles.

It is required that Trustees have appropriate qualifications or experience in areas beneficial to the charity including, but not limited to, the legal, financial or property sectors. The level of competence required of a Trustee is explained in the Trust Deed. New Trustees are inducted by an existing Trustee and trained through regular attendance at meetings.

Custodian Trustee

The purpose of Higginson Securities Limited is to hold the legal charges in favour of the charity relating to members' secured loans owed to the SNU Trust. Going forwards, any legal charges acquired after May 2019 will be held by the SNU Trust and when all historic charges are released, Higginson Securities Limited will be wound up.

All title deeds relating to properties owned by the Trust and held by the SNU Trust which are secured on the investment properties.

Governing Documents

The SNU Trust is governed by Articles of Association, a copy of which can be obtained by contacting our office. The SNU Trust is registered at the Charity Commission (reg no 1182379), The Office of the Scottish Charity Regulator (reg no SCO49738) and with Company House (reg no 11382378).

Organisation

The Trust is administered and managed by a Committee of Management which consists of up to eight members elected by members of the Trust from among full members of affiliated churches which are members of the Trust. With approval, the Committee of Management delegate day to day running of the Trust to the Finance Manager and other Trust Staff as appropriate.

The members of the Committee of Management during the year ended 31 December 2020 and to the date of this report were: -

T. Critchley (Chairman)

K. Smith (Secretary)

T. Coombe

J. Barton

TRUSTEES' RESPONSIBILITIES

In 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 directors to prepare financial statements for each financial year.

Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors 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 and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the directors are required to:

1. select suitable accounting policies and then apply them consistently;
2. observe the methods and principles in the Charities SORP FRS102;
3. make judgments and accounting estimates that are reasonable and prudent;
4. state whether applicable UK Accounting Standards have been followed, subject to any material departure disclosed and explained in the financial statements;
5. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

BY ORDER OF THE COMMITTEE

T CRITCHLEY, CHAIR

Date: 14 April 2021

Principal address:
Burton End Lodge, Stansted Hall, Stansted' Essex CM24 8UD

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES AND MEMBERS OF SPIRITUALISTS' NATIONAL UNION TRUST

OPINION

We have audited the financial statements of Spiritualists' National Union Trust (the 'charity') for the year ended 31 December 2020 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 charity's affairs as at 31 December 2020, 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 Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and 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.

EMPHASIS OF MATTER IN RELATION TO THE PROPERTY VALUATION

We draw attention to note 10 of the financial statements which describes that included within investments at the year end are property portfolios with valuations of £1,707,500 provided by Philip Moses MRICS of Moses Rutland Chartered Surveyors. At the year end date these valuations were subject to a material uncertainty related to COVID-19. Our opinion is not modified in respect of this matter.

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 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 the audit:.

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Charities Accounts (Scotland) Regulations 2006 (as amended) and 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 directors' 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 directors' report and from the requirement to prepare a strategic report.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the charity and how it operates and considered the risk of the charity not complying with the applicable laws and regulations including fraud in particular those that could have a material impact on the financial statements. This included those regulations directly related to the financial statements. In relation to the charity this included employment law, financial reporting and health & safety.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

- We reviewed systems and procedures to identify potential areas of management override risk. In particular, we carried out testing of journal entries and other adjustments for appropriateness, and evaluated the business rationale of significant transactions to identify large or unusual transactions. We reviewed key authorisation procedures and decision making processes for any unusual or one-off transactions.
- We reviewed minutes of Trustee Board meetings, any correspondence with the Charity Commission, agreed the financial statement disclosures to underlying supporting documentation, made enquiries of management and officers of the charitable company regarding laws and regulations applicable to the organisation and reviewed the risk management processes and procedures in place including a review of the risk register maintained by the charitable company. We have also reviewed the procedures in place for the reporting of any incidents to the Trustee Board including serious incident reporting of these matters as necessary with the Charity Commission.

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.

A further description of our responsibilities is available 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 trustees and members, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and 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 trustees and 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 trustees and members as a body, for our audit work, for this report, or for the opinions we have formed.

Helena Wilkinson BSc FCA DChA (Senior Statutory Auditor)

for and on behalf of
PRICE BAILEY LLP

Chartered Accountants
Statutory Auditors

Tennyson House
Cambridge Business Park
Cambridge
CB4 0WZ

Date: 6th July 2021

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

For the year ended 31 December 2020

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
INCOME:					
Transfer from old SNU Trust		-	-	-	2,754,819
CHARITABLE ACTIVITIES:					
Interest on advances	2	28,517	-	28,517	23,501
Income from other trading activities:					
Management charges to SNU		45,781	-	45,781	25,030
INVESTMENTS:					
Income from investments		177,689	-	177,689	137,846
Rental income from investment properties	3	159,068	-	159,068	102,993
Total income		**411,055**	**-**	**411,055**	**3,044,189**
EXPENDITURE:					
Raising funds	4	57,527	-	57,527	25,786
Charitable activities:	5	308,751	1,231	309,982	214,967
Total expenditure		**366,278**	**1,231**	**367,509**	**240,753**
Net income/(expenditure) for the year before investment gains		**44,777**	**(1,231)**	**43,546**	**2,803,436**
Net gains on investments		51,895	-	51,895	277,648
Net income for the year being net movement in funds		**96,672**	**(1,231)**	**95,441**	**3,081,084**
RECONCILIATION OF FUNDS:					
Total funds brought forward		3,075,098	6,014	3,081,112	28
Total funds carried forward		**3,171,770**	**4,783**	**3,176,553**	**3,081,112**

The statement of financial activities includes all gains and losses recognised in the year.All income and expenditure derive from continuing activities.The notes on pages 42 - 57 form part of these accounts.

BALANCE SHEET

As at 31 December 2020

	Notes	2020	2019
		£	£
Fixed assets			
TANGIBLE FIXED ASSETS:			
Freehold property	11	195,993	200,000
Computer equipment	11	10,843	9,620
Fixtures, fittings and equipment	11	3,870	4,339
INTANGIBLE FIXED ASSETS:			
Computer equipment	12	18,960	-
INVESTMENTS:			
Investments	15	7,114,453	6,203,777
Investment property	10	1,707,500	1,955,000
Total fixed assets		**9,051,559**	**8,372,736**
Current assets			
Programme related investments	14	1,788,384	1,799,102
Sundry debtors	16	19,632	18,973
Cash at bank and in hand		1,124,419	2,101,370
Total current assets		**2,932,435**	**3,919,445**
Liabilities			
Creditors: amounts falling due within one year	17	(6,616,404)	(7,835,460)
Net current liabilities		**(3,683,970)**	**(3,916,015)**
Total assets less current liabilities		**5,367,590**	**4,456,721**
Creditors: amounts falling due after more than one year	16	(2,191,037)	(1,375,609)
Total net assets		**3,176,553**	**3,081,112**
The funds of the Trust:			
Restricted funds	18	4,783	6,014
Unrestricted funds:			
General funds	18	225,000	225,000
Designated funds	18	2,381,834	2,037,662
Revaluation reserve	18	564,936	812,436
Total funds		**3,176,553**	**3,081,112**

Registration No 1382378 (England and Wales) Charity No 1182379; Scottish Charity No SC043097

BALANCE SHEET *(continued)*

As at 31 December 2020

The attached notes on pages 42 - 57 form part of these financial statements.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the Board of Trustees on 14 April 2021 and signed on their behalf by:

T. Critchley (Chair) K. Smith (Secretary)

Registration No. 11382378 (England and Wales); Charity No. 1182379; Scottish Charity No: SC043897

CASHFLOW STATEMENT

For the year ended 31 December 2020

	Notes	2020	2019
		£	£
Cash Flows from Operating Activities			
Net cash (used in) / provided by operating activities	22	(712,093)	(73,502)
Cash Flows from Investing Activities			
Rental income received		159,068	102,993
Investment income received		177,689	137,846
Purchase of tangible fixed assets		(36,458)	(13,162)
Purchase of investments		(2,996,914)	(645,785)
Proceeds from the sale of investments		2,431,757	669,685
Cash received upon transfer from SNU Trust		-	1,922,817
Net Cash Flows from Investing Activities		**(264,858)**	**2,174,394**
Change in cash and cash equivalents in the year		(976,951)	2,100,892
Cash and Cash equivalents brought forward		2,101,370	478
Cash and cash equivalents carried forward	22	**1,124,419**	**2,101,370**

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2020

1 - ACCOUNTING POLICIES

(a) Basis of preparation and assessment of going concern

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 (FRS 102) (effective 1January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

(b) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. Trustees have made the decision to invest some of the current assets over the years into listed investments and investment properties which return a better income. These can be sold should this become necessary.

The SNU Trust continues to consider forecasts and budgets to asses the ability of the charity to meet debts as they fall due. As such, they continue to adopt the going concern basis of accounts in the financial statements.

The SNU Trust is cognisant that the threat of Covid-19 and the restrictions placed on the nation has, and will continue to have, an impact on the running of the charity. The Board has completed a comprehensive review and is confident of the SNU Trust's ability to continue as a going concern.

(c) Group accounts

The financial statements contain information about the Trust as an individual charity and do not consolidate the subsidiary undertaking, Higginson Securities Limited (a company limited by guarantee). The charity and its subsidiary undertaking comprise a small-sized group. The charity has therefore taken advantage of the exemptions not to prepare group accounts in accordance with section 139(2) of the Companies Act 2006.

(d) Funds structure

Unrestricted funds comprise of funds which the Trustees are free to use for any purpose in the furtherance of the charitable objectives. The Trustees have created four designated funds to be used to support specific areas of the charity.

Further details of each fund are disclosed in note 18.

(e) Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity, this is normally upon 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. This is normally upon notification by the investment advisor of the dividend yield of the investment portfolio.

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31 December 2020

Income from Government Securities is recognised when it is received. Income accrued and not received on these securities at 31 December is included in the market value of the investments held.

Rental income under operating leases is charged to the profit and loss accounts on a straight line basis over the terms of the lease.

(f) Expenditure

Expenditure is recognised once there is a legal or constructive obligation committing the charity to the expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Costs of raising funds include fees and charges for the management of the investment portfolio and an apportionment of support costs.

Expenditure on charitable activities includes interest paid on investor accounts, governance costs and an apportionment of support costs.

(g) Taxation and Irrecoverable VAT

The Trust is a registered charity and is exempt from corporate taxes, to the extent of operating within its charitable objectives. Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

(h) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the Trust's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated is determined by analysis of staff time sheets completed on a daily basis.

(i) Tangible fixed assets

Tangible fixed assets costing more than £500 are capitalised at cost and are depreciated over their estimated useful lives as follows:

Freehold property	2% straight line
Computer equipment	33.3% straight line
Fixtures, fittings and equipment	10% - 20% straight line

The need for any impairment of a fixed asset write-down is considered if there is concern over the carrying value of an asset and is assessed by comparing that carrying value against the value in use or realisable value of the asset when appropriate.

(j) Investment properties

Investment properties are valued by the trustees at fair value and are not depreciated.

The statement of financial activities includes the net gains and losses arising on the revaluation and disposals throughout the year.

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31 December 2020

(k) Programme related investments – concessionary loans

Concessionary loans are initially recognised and measured at the amount paid, with the carrying amount adjusted in subsequent years to reflect repayments and any accrued interest and adjusted if necessary for any impairment. Any impairment losses are immediately recognised in the Statement of Financial Activities.

The Trust agrees advances to churches which are subject to agreements that are signed by the church for the full value of the advance as soon as the advance is agreed but funds are only drawn down by the church as required. Where the advance is for rebuilding or renovation costs the full value of the advance may not be drawn down in the same year as that in which the agreement is signed. In these cases, the value of the advance reported in the accounts is that which has been drawn down in the year not the full value of the advance.

(l) Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the bid price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Trust does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

(m) Debtors

Sundry debtors are recognised at the settlement amount due. Prepayments are valued at the amount repaid net of any trade discounts due.

(n) Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

(o) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(p) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Fixed assets are recognised at cost less depreciation and investments are recognised at their fair value being the market value, all other assets and liabilities are measured at cost being their fair value.

(q) Pension

Pension contributions to a defined contribution pension scheme are charged to the statement of financial activities as they occur. These contributions are invested separately from the Trust's assets.

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31 December 2020

2 - INTEREST ON ADVANCES

Interest on advances as received from the member churches of SNU are disclosed as charitable activities as they are fulfilling a primary purpose of the Trust.

3 - INVESTMENT INCOME

	2020 £	2019 8 months £
Bank and other interest receivable	8,329	4,644
Income from listed investments	169,360	133,202
	177,689	**137,846**

Income from listed investments consists of:

	2020 £	2019 £
Income from Global equities	11,796	-
Income from UK equities	55,774	45,810
Income from UK fixed interest / bonds	16,482	12,344
Income from overseas equities	37,255	39,539
Income from overseas fixed interest	3,719	3,053
Income from alternative investments	44,334	32,456
	133,202	**133,202**

4 - RAISING FUNDS

	2020 £	2019 £
Investment portfolio management fees	50,510	18,732
Bank charges and interest	742	3,139
Support costs and governance (note 6)	6,275	3,915
	57,527	**25,786**

All expenditure in the current and prior year relates to unrestricted funds.

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31 December 2020

5 - CHARITABLE ACTIVITIES

	2020 £	2019 8 months £
Interest paid on investor deposits	122,702	74,879
Support costs (note 6)	186,049	140,088
	308,751	**214,967**

All expenditure in the current and prior year relates to unrestricted funds.

6 - ALLOCATION OF SUPPORT COSTS

Current Period

Cost Type:	**Basis of allocation £**	**Charitable activities £**	**Raising Funds £**	**Total 2020 £**
Governance:				
Auditor's remuneration	Direct	26,220	-	26,220
Management committee expenses	Direct	748	-	748
Trustees' indemnity insurance	Direct	440	-	440
AGM expenses	Direct	5,039	-	5,039
Legal & professional fees	Direct	5,319	-	5,319
Total income		**37,766**	**-**	**37,766**
Support:				
Staff costs	Staff time	104,142	4,407	108,549
Staff training	Staff time	248	10	258
Depreciation	Staff time	19,966	845	20,811
Stationery and advertising	Staff time	1,953	83	2,036
Water rates	Staff time	48	2	50
Office expenses	Staff time	113,665	578	14,243
Equipment rental	Staff time	718	30	748
Telephone	Staff time	1,272	54	1,326
Postage	Staff time	494	21	515
Repairs and maintenance	Staff time	1,563	66	1,629
Light and heat	Staff time	2,118	90	2,208
Insurance	Staff time	2,096	89	2,185
		186,049	**6,275**	**192,324**

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31 December 2020

6 - ALLOCATION OF SUPPORT COSTS (continued)

Prior Year

Cost Type:	**Basis of allocation £**	**Charitable activities £**	**Raising Funds £**	**Total 2019 8 month £**
Governance:				
Auditor's remuneration	Direct	23,340	-	23,340
Management committee expenses	Direct	2,109	-	2,109
Trustees' indemnity insurance	Direct	290	-	290
AGM expenses	Direct	7,768	-	7,768
Legal & professional fees	Direct	14,027	-	14,027
		47,535	**-**	**47,535**
Support:				
Staff costs	Staff time	65,983	2,792	68,775
Staff training	Staff time	246	10	256
Depreciation	Staff time	6,690	283	6,973
Stationery and advertising	Staff time	1,201	513	1,252
Water rates	Staff time	31	1	32
Office expenses	Staff time	10,183	431	10,614
Equipment rental	Staff time	534	23	557
Telephone	Staff time	791	33	824
Postage	Staff time	290	12	302
Repairs and maintenance	Staff time	4,927	208	5,135
Light and heat	Staff time	318	13	331
Insurance	Staff time	1,359	58	1,417
		140,088	**3,915**	**144,003**

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31 December 2020

7 - NET INCOME/(EXPENDITURE):

Net income/(expenditure) is stated after charging:

	2020 £	2019 8 months £
Auditor's remuneration - audit services	20,255	19,450
Auditor's remuneration - accountancy	1,945	3,890
Depeciation	20,811	6,972
Operating lease rentals - plant & machinery	749	832

8 - STAFF EMOLUMENTS

	2020 £	2019 8 months £
Wages and salaries	93,837	60,741
Social Security costs	9,329	5,769
Employer's contribution to defined contribution pension scheme (note 9)	9,384	5,265
	112,550	**71,775**

The average number headcount of employees during the year was made up as follows:

	2020	2019
Office and administration	3	3

No employees had emoluments in excess of £60,000 (2019: none).

The Trust considers its key management personnel comprise the Finance Manager and other Trust Staff as appropriate. This therefore includes all 3 members of staff and their aggregate remuneration as noted above. Included within other trading income is £45,781 (2019: £25,020) in relation to salaries recharged to other organisations during the year.

None of the trustees received any remuneration or benefits in kind from the Trust during the period (2019: £Nil).

Expenses relating to travel and subsistence for attendance at trustee meetings were reimbursed to 4 trustees (2019: 6) during the period and amounted to £5,786 (2019: £9,878).

During the period Trustees Indemnity Insurance was purchased for £440 (2019: £290).

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31 December 2020

9 - PENSION COSTS

The Trust operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Trust in an independently administered fund. Contributions payable by the Trust amounted to £9,384 (2019: £5,265). At the year end, contributions totalling £823 (2019: £749) remained outstanding and are included in sundry creditors.

10 - INVESTMENT PROPERTIES

Valuation	2020 £	2019 £
As at 1 January 2020	1,955,000	-
Transfer from old Trust	-	1,955,000
Revaluation	(247,500)	-
As at 31 December 2020	**1,707,500**	**1,955,000**

The properties were revalued on 12 November 2018 by Philip Moses MRICS of Moses Rutland Chartered Surveyors in accordance with the requirements of RICS Valuation-Professional Standards 2017 and FRS102. At the year end date these valuations were subject to a material uncertainty related to COVID-19.

11 - TANGIBLE FIXED ASSETS

	Freehold property £	Computer equipment £	Fixtures, fittings and equipment £	Total £
COST				
As at 1 January 2020	203,333	12,609	4,989	220,931
Additions	-	6,458	-	6,458
	203,333	**19,067**	**4,989**	**227,389**
DEPRECIATION				
As at 1 January 2020	3,333	2,989	650	6,972
Charge for year	4,067	5,275	469	9,771
	7,400	**8,224**	**1,119**	**27,783**
NET BOOK VALUE				
At 31 December 2020	**195,933**	**10,843**	**3,870**	**210,646**
At 31 December 2019	**200,000**	**9,620**	**4,339**	**213,959**

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31 December 2020

12 - INTANGIBLE FIXED ASSETS

	Computer equipment £	Total £
COST		
As at 1 January 2020	-	-
Additions	30,000	30,000
	30,000	**30,000**
AMORTISATION		
As at 1 January 2020	-	-
Charge for year	11,040	11,040
	11,040	**11,040**
NET BOOK VALUE		
At 31 December 2020	**18,960**	**18,960**
At 31 December 2019	-	-

12 - FIXED ASSET INVESTMENTS

The charity holds more than 20% of the share capital of the following company:

Higginson Securities Limited is a company limited by guarantee and incorporated in the United Kingdom. The company is dormant.

Cost Type:	Holding £	Capital and Reserves 2019 £	Profit/(Loss) for the year 2019 £
Higginson Securities Limited (company no: 04208575)	100	-	-

The financial statements contain information about the Trust as an individual charity and do not consolidate the subsidiary undertaking, Higginson Securities Limited (a company limited by guarantee), on the basis that it is a dormant company.

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31 December 2020

13 FIXED ASSET PROGRAMME RELATED INVESTMENTS

	2020 £	2019 £
PROPERTY - PALMERSTON PLACE		
Cost at 1 January	1,015,982	-
Transfer from old Trust	-	1,015,982
As at 31 December 2020	**1,015,982**	**1,015,982**
CONCESSIONARY LOANS		
Cost at 1 January	783,120	-
Transfer from old Trust	-	1,067,023
	783,120	1,067,023
Repayments	(10,718)	(283,903)
Cost at 31 December	772,402	783,120
Total Programme reated investments	**1,788,384**	**1,799,102**

All concessionary loans made by the Trust are charged interest at 3.75% and are secured by way of a first legal charge on the properties to which the loans relate. These relate to loans given to member churches of the SNU which are part of the charitable purposes of the Spiritualists' National Union Trust. There were no concessionary loans committed to or offered but not taken up at the period end (2019: £Nil).

For information:		
Loans due within one year	19,113	48,073
Loans due after more than one year	735,290	735,047
Total Programme reated investments	**772,402**	**783,120**

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31 December 2020

14 - INVESTMENTS

	2020 £	2019 8 months £
MARKET VALUE		
At 1 January	6,203,777	-
Transfer from old Trust	-	5,958,188
Additions	3,000,851	645,785
	9,204,628	6,603,973
Disposals at carrying value	(2,431,757)	(669,685)
Unrealised gains on investments	259,191	263,503
	7,072,266	6,197,791
Movements in cash accounts	46,124	5,986
Market value at 31 December	7,114,453	6,203,777
Historical cost at 31 December	**5,437,664**	5,114,178

Investments are allotted to each range as follows:	2020 £	2019 £
UK equities	1,864,331	1,937,406
UK fixed interest / bonds	669,925	781,304
Overseas fixed interest / bonds	209,052	120,042
Overseas equities	2,634,557	2,381,558
Alternative investments	850,484	855,811
Quilter Cheviot Investor Growth Fund	712,324	-
Cash	173,780	127,656
	7,114,453	**6,203,777**

All investments are held primarily for the purpose of providing an investment return.

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31 December 2020

15 - DEBTORS

	2020 £	2019 £
Trade debtors	3,377	3,532
Other debtors	14,333	12,947
Prepayments and accrued income	2,494	2,494
	19,632	**18,973**

16 - CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 8 months £
Investors' balances:		
Deposit account	255,294	265,203
Investment accounts	5,001,107	5,099,646
Super accounts	63,239	67,627
Fixed rate bonds	1,262,701	2,321,676
Regular saver plus accounts	5,570	16,784
	6,587,911	**7,770,936**
Trade creditors	3,751	728
Sundry creditors	978	1,332
Accruals	21,210	60,090
Tax and social security	2,554	2,374
	6,616,404	**7,835,460**

CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2020 £	2019 £
Investor's Balances - Fixed Rate Bonds	2,919,037	1,375,609
	2,919,037	**1,375,609**

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31 December 2020

17 - FUNDS: MOVEMENTS IN YEAR

CURRENT YEAR	1 January 2020 £	Income £	Expenditure £	Transfers £	Gains/ (losses) £	31 Dec 2020 £
Unrestricted Funds						
General funds	225,000	45,781	(320,081)	274,300	-	225,000
Designated Funds						
Church deposits	1,074,131	28,517	-	85,243	-	1,187,890
Investments	694,631	177,689	(46,197)	(203,373)	299,395	922,146
Properties	218,900	159,068	-	(156,649)	-	221,319
Modernisation	50,000	-	-	-	-	50,000
Revaluation Reserve	812,436	-	-	-	(247,500)	564,936
Restricted Funds	6,014	-	(1,231)	479	-	5,262
	3,081,112	**411,055**	**(367,509)**	**-**	**51,895**	**3,176,553**

The restricted fund is the Ray Taylor Memorial Fund in memory of Ray Taylor, a former trustee of the previous unincorporated entity, The SNU Trust, and the funds were donated to the new entity,Spiritualist's National Union Trust, and are to be used for distressed churches.

PRIOR PERIOD	1 January 2019 £	Income £	Expenditure £	Transfers £	Gains/ (losses) £	31 Dec 2019 £
Unrestricted Funds						
General funds	28	(142,975)	(222,021)	589,968	-	225,000
Designated Funds						
Church deposits	-	532,889	-	541,242	-	1,074,131
Investments	-	1,174,936	(18,732)	(739,221)	277,648	694,631
Properties	-	560,889	-	(341,989)	-	218,900
Restructure	-	100,000	-	(100,000)	-	-
Modernisation	-	-	-	50,000	-	50,000
Revaluation Reserve	-	812,436	-	-	-	812,436
Restricted Funds	-	6,014	-	-	-	6,014
	28	**3,044,189**	**(240,753)**	**-**	**277,648**	**3,081,112**

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31 December 2020

18 - NET CURRENT ASSETS

CURRENT YEAR	Fixed Assets £	Net current assets / (liabilities) £	Creditors greater than one year £	Fund balance £
Unrestricted Funds				
General funds	7,907,857	(5,491,820)	(2,191,037)	225,000
Designated Funds				
Church deposits	-	1,1888,131	-	1,1888,131
Investments	922,338	-	-	694,631
Properties	221,366	-	-	218,900
Modernisation	-	50,000	-	50,000
Revaluation Reserve	-	564,936	-	564,936
Restricted Funds	-	4,783	-	4,783
	9,051,559	**(3,683,970)**	**(2,191,037)**	**3,176,553**

PRIOR PERIOD	Fixed Assets £	Net current assets / (liabilities) £	Creditors greater than one year £	Fund balance £
Unrestricted Funds				
General funds	7,459,205	(5,858,596)	(1,375,609)	225,000
Designated Funds				
Church deposits	-	1,074,131	-	1,074,131
Investments	694,631	-	-	694,631
Properties	218,900	-	-	218,900
Modernisation	-	50,000	-	50,000
Revaluation Reserve	-	812,436	-	812,436
Restricted Funds		6,014		6,014
	8,372,736	**(3,916,015)**	**(1,375,609)**	**3,081,112**

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31 December 2020

19 - OPERATING LEASES

LESSEE:

At 31 December 2020 the Trust had commitments under non-cancellable operating leases as follows:

	2020 £	2019 £
Fixtures, Fittings and Equipment:		
Not later than one year	-	832
	-	**832**

LESSOR:

At 31 December 2020 the Trust had agreed commitments as a lessor under non-cancellable operating leases to receive the receipts as follows:

	2020 £	2018 £
Investment Properties:		
Not later than one year	161,068	145,842
Later than one year and not later than five years	607,309	529,609
Greater than five years	704,417	742,000
	1,472,794	**1,417,451**

20 - RELATED PARTIES

During the year, some members of the SNU Trust Board were part of the member churches who undertook transactions with the SNU Trust. All of these transactions were part of the normal activities of the Trust and were not influenced or controlled by those members of the Board. There are no other related party transactions.

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31 December 2020

21 - RECONCILIATION OF NET INCOME TO NET CASHFLOW IN OPERATING ACTIVITIES

	2020 £	2019 £
Net Income	95,441	3,081,084
Adjusted for:		
Depreciation charges	20,811	6,972
Gains on investments	(51,895)	(276,830)
Cash movement on investment portfolio	(46,124)	(5,986)
Dividends interest and rents from investments	(336,757)	(240,839)
Decrease in debtors	10,059	295,512
(Decrease)/Increase in creditors	(403,628)	(178,597)
Transfer of net assets from SNU Trust	-	(2,544,818)
Net cash provided by operating activities	**(712,093)**	**(73,502)**

22 - ANALYSIS OF CASH AND CASH EQUIVALENTS

	2020 £	2019 £
Cash at hand	1,124,419	2,101,370
Total	**1,124,419**	**2,101,370**

23 - ANALYSIS OF NET DEBT

	At 1 Jan 2020 £	Cash flows £	Other non-cash changes £	At 31 Dec 2020 £
Cash and cash equivalents:				
Cash at bank and in hand	2,101,370	(976,951)	-	1,124,419
Total	**2,101,370**	**(976,951)**	**-**	**1,124,419**

SNU TRUST SAVINGS ACCOUNTS

	CURRENT INTEREST RATE		FURTHER DETAILS
INSTANT ACCESS			
DEPOSIT ACCOUNT	0.00%	Instant Access	All members must have a deposit account with a min of £250 - this then gives them access
INVESTMENT	0.50%	Instant Access	Withdrawals can be made by scanning authority to office
REGULAR SAVER	1.00%	Monthly deposits of £1 - £100	Account runs for 12 months but can be renewed if desired
	1.50%	Monthly deposits of £101 - £249	
	2.00%	Monthly deposits of £250 - £1,000	
FIXED TERM			
One Year FRD	1.00%	Minimum deposit £5000	Interest paid on maturity
Two Year FRD	2.00%	Minimum deposit £5000	Interest paid on maturity
1-4-1	4.00%	£1000 of new money for 1 Year	Available from 15 October 2021

CHURCH ADVANCE (LOAN PRODUCT)

Loans are availble from the SNU Trust based on affordability by the church.

All loans must be secured on the church building.

Regular monthly repayments.

No administration fees or early redemption charges.

Lump sum reductions allowed with no penalties.

We are Not For Profit and actively encourage churches to repay as soon as possible to ensure they pay no more interest than necessary.

TRUSTEES

TREVOR CRITCHLEY (CHAIRMAN)

0207 733 6171
trevor.critchley@snutrust.co.uk

TIM COOMBE

07876 598740
tim.coombe@snutrust.co.uk

JANE BARTON

07845 944765
jane.barton@snutrust.co.uk

KEN SMITH

01379 678197
ken.smith@snutrust.co.uk

STAFF

JULIE CROCKER

julie@snutrust.co.uk

LESLEY GILBEY

lesley@snutrust.co.uk

NADINE YOUNG

nadine@snutrust.co.uk

SNU TRUST

Burton End Lodge
Stansted Hall
Stansted
Essex
CM24 8UD

01279 814158
office@snutrust.co.uk
www.snutrust.co.uk

REGISTERED OFFICE:

276902 (England and Wales) SCO43897 (Scotland)

NOTES

NOTES

SNU TRUST ·FINANCE·

A Mutual Building Society for Churches

Burton End Lodge, Stansted Hall,
Stansted Essex CM24 8UD

01279 814158

office@snutrust.co.uk

www.snutrust.co.uk