THE LANCASHIRE INFIRM SECULAR CLERGY FUND

England & Wales · Charity number 222796

Details

Status	Registered
Legal form	Other
Registered	1964-01-20
Register	View on the Charity Commission register

Contact

Address	St. Josephs Presbytery Harpers Lane Chorley Lancashire PR6 0HR
Phone	01257262713
Email	chorleystjoseph@rcaol.org.uk

Activities

Objects: 1) THE RELIEF OR SUPPORT OF THOSE OF THE SECULAR CLERGY OF THE ARCHDIOCESE OF LIVERPOOL AND THE DIOCESES OF SALFORD AND LANCASTER WHO BEING INCARDINATED INTO ONE OF THESE DIOCESES ARE, BY REASON OF SICKNESS OR BY REASON OF THEIR BEING REGARDED BY THEIR DIOCESAN BISHOP AS RETIRED FROM PAROCHIAL OR DIOCESAN SERVICE THROUGH ADVANCED AGE OR FOR ANY OTHER REASON, IN NECESSITOUS CIRCUMSTANCES. 2) THE SPIRITUAL AID OF THE MEMBERS AND BENEFACTORS LIVING AND DEAD

Activities: The object of the Fund is to collect and invest money - the revenue there from to help support sick and retired Priests. All Benefactors in return will receive spiritual benefits.

Classification

- **How:** Makes Grants To Individuals
- **What:** The Advancement Of Health Or Saving Of Lives, Disability, The Prevention Or Relief Of Poverty
- **Who:** Other Defined Groups

Geography

- **Area of benefit:** DIOCESE OF LIVERPOOL, SALFORD AND LANCASTER
- Lancashire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-04-05	£163,574	£130,296	-	-
2024-04-05	£159,599	£123,006	-	-
2023-04-05	£225,491	£126,120	-	-
2022-04-05	£147,905	£119,668	-	-
2021-04-05	£162,474	£114,698	-	-

Trustees

Name	Role	Appointed
Rev SIMON DAVID STAMP	Chair	2016-10-12
Rev Alfred Hayes		2025-10-15
Rev Canon Aidan Prescott		2012-11-22
Rev Canon PETER GREGORY STANLEY		

Accounts

Charity No : 222796

The Lancashire Infirm Secular Clergy Fund

Trustees' Report and Financial Statements

For The Year Ended
5 April 2025

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CONTENTS

Trustees	Rev S Stamp Rev P Stanley Rev A Prescott	
Officers	Rev S Stamp Rev P G Stanley Vacancy	- President - Secretary - Treasurer
Independent examiner	N Mason FCA, DChA MHA Richard House Winckley Square Preston PR1 3HP	
Investment managers	Sarasin & Partners LLP Juxon House 100 St. Paul's Churchyard London EC4M 8BU	
Contact address	c/o Canon P G Stanley St Joseph's Presbytery Harpers lane Chorley PR6 0HR	

THE LANCASHIRE INFIRM SECULAR CLERGY FUND

TRUSTEES' REPORT

FOR THE YEAR ENDED 5 APRIL 2025

The Trustees present their report and financial statements for the year ended 5 April 2025. The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019.

Structure, governance and management

The Fund is governed by the constitution revised in 2014 which was approved by the Charity Commission.

The Officers of the Fund are elected at the Annual General Meeting for a period of three years. Members who are resident in any of the Dioceses shall be entitled to vote at elections. Any member, whether present or not at the Annual General Meeting, is eligible to be elected as an Officer of the Fund. The required number of Trustees at any time is four.

Each financial year, the Trustees examine the major risks that the Fund faces. Systems have been established to mitigate these risks.

Objects and activities for the public benefit

The objects and activities of the Fund are the relief or support of the secular clergy of the Dioceses of Liverpool, Salford and Lancaster who are unable, through age or infirmity, to attend to the duties of their office and are in necessitous circumstances. The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit reporting when viewing the Fund's aims and objectives and in planning future activities and setting the grant making policy for the year.

Grant making policy

During the year the Fund has continued to make grants to infirm clergy. Applications for grants are reviewed against specific criteria and to ensure they are in accordance with the Rules.

Financial review and performance

The statement of financial activities shows net incoming resources for the year of £33,278 (2024: £36,593).

Other recognised gains and losses comprise realised and unrealised gains on investments and in 2025 there is a net loss of £110,304 compared to a net gain of £296,025 in 2024. The overall movement in reserves is a deficit of £77,026.

Reserves policy

It is the policy of the Fund to maintain unrestricted funds, which are free reserves in the income accumulated fund, at a level which equates to at least 12 months unrestricted expenditure. This provides sufficient funds to cover administration costs and to respond to emergency applications for grants. Unrestricted funds were maintained at least to this level throughout the year. The level of free reserves as at 5 April 2025 was £552,130 (2024 £521,091).

Investment objective and performance

The investment objective of the Fund is to seek to achieve capital growth over the longer term, subject to market conditions, and a corresponding increasing stream of income. In order to achieve this objective, the manager maintains a balanced portfolio of investments. The portfolio was invested in unit trusts.

Investment return

As at 5th April 2025, the portfolio for the rolling year returned 0.9% (net). The portfolio value was £5,258,861. Income within the portfolio was marginally lower for the year at £141,289 versus £145,465 for the previous year.

Market Overview

Performance within both the Fund and the broader market over the period was more muted in comparison to the same time last year, largely due to rising geopolitical tensions and the re-emergence of protectionist trade policies. In particular, the announcement and implementation of new tariffs by both the US and China introduced new uncertainty around the global economic outlook. Within the Fund's equity allocation, technology names such as Nvidia, TSMC and Amazon, which had previously driven strong performance, experienced a pullback at the end of the reporting period as markets reassessed demand forecasts and the potential impact of cross-border restrictions and weighty tariffs. Value and dividend focused investment styles saw a resurgence, helping European equities recover. However, much of the rally had been led by lower quality cyclical names that are less aligned with our long-term thematic views.

The alternatives in the portfolio produced a positive return of +17.5% over the year (31.03.2024 – 31.03.2025). The largest contributor to this positive performance was the Fund's allocation to gold, which has continued to perform strongly as a hedge against market fluctuations and currency risks. This was complemented by positive contributions from the absolute return holdings, whilst there was some weakness in infrastructure investment trusts.

Asset class	Index	Annual Return (05/04/2024-05/04/2025)
Fixed Interest	ICE BofAML Sterling Corporate ICE BofAML UK Gilts	3.6% 1.2%
UK Equities	MSCI UK IMI	4.3%
Global Equities	MSCI AC World ex UK(Net TR)	-2.9%
Global Property	S&P Developed Property (Net TR)	-0.8%
UK Inflation	UK Retail Price Index	3.2%
LISCF Portfolio		0.9%

Portfolio Positioning

Whilst our initial overweight to equities throughout 2024 and early 2025 added value, we reduced risk in February and March by trimming our equities exposure. We increased our allocation to gold which proved valuable, as geopolitical uncertainty and rising demand for safe haven assets supported its performance.

We initiated a position in Zoetis (a global leader in animal pharmaceutical therapies) and a position in LVMH (the largest purchase over the period), set to benefit from the strong thematic growth of prestige brands across the globe, in particular driven by the Chinese consumer and fuelled by the exponential growth of social media. Another significant addition was Fortinet, a security technology company operating in the network firewall and the secure network software markets. The company is set to benefit from long term trends in cyber security, particularly due to the increased threat landscape and the widespread adoption of cloud computing.

Reductions within the portfolio include some of the prominent US technology companies, namely Amazon, following concerns of US consumer slowdown. Within the Fund's broader technology holdings, we have been rotating out of some semiconductor and IT infrastructure companies and into software businesses, which our analysts have identified as offering compelling opportunities. We also exited our position in Air Liquide in favour of Linde, as we saw this as the preferred company within the industrial gases sector.

The exposures of the Fund to the various asset classes at the start and end of the year were as follows:

	2025 %	2024 %
Fixed interest	10.6	13.9
Global Equities	62.0	68.6
Global Property	3.8	3.2
Alternatives	9.6	6.7
Cash	14.0	7.6
	100.0	100.0

Conclusion

Looking ahead, we expect markets to remain sensitive to the interplay between economic growth, inflation pressures and central bank policy decisions. As the impact from US tariffs begin to show in company results, we expect inflation to rise and for there to be a dampening of consumer spending. A sustained US retreat from global trade could also lead to reduced dollar dominance and lasting pressure on consumer welfare.

Geopolitical risks continue to be a concern, particularly the potential for further escalation in Ukraine and in US-China relations. While such developments pose near-term risks to global supply chains and could lead to renewed market volatility, they also reinforce the growing importance of national security and cybersecurity.

Against this backdrop, our positioning remains cautious and alert to the risks posed by elevated valuations. As market leadership continues to broaden beyond US technology companies, careful stock selection remains key.

This report was approved by the board of Trustees on 08/10/2025 and signed on its behalf

....

Rev P Stanley – Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

FOR THE YEAR ENDED 5 APRIL 2025

I report to the charity trustees on my examination of the accounts of The Lancashire Infirm Secular Clergy Fund for the year ended 5 April 2025 which are set out on pages 6 to 12 appended to this report.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Nicola Mason ....

N Mason FCA, DChA

Date: 8/10/25

MHA
Preston

THE LANCASHIRE INFIRM SECULAR CLERGY FUND

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 5 APRIL 2025

	Note	Capital account £	Income accumulated funds £	Total funds 2025 £	Total funds 2024 £
Income from:					
Donations and legacies	2a	-	**5,000**	**5,000**	1,740
Investment income	2b	-	**156,335**	**156,335**	156,522
Other income	7	**2,239**	-	**2,239**	1,337
Total income		**2,239**	**161,335**	**163,574**	159,599
Expenditure on Raising funds:					
Investment management costs	7	-	-	-	-
Expenditure on charitable activities:					
Grants to Infirm Clergy - Individuals		-	**123,500**	**123,500**	117,750
Support costs	6	-	**6,796**	**6,796**	5,256
Total expenditure		-	**130,296**	**130,296**	123,006
Net income/(expenditure) before gains/losses on investments		**2,239**	**31,039**	**33,278**	36,593
Net gains/(losses) on investments	3	**(110,304)**	-	**(110,304)**	296,025
Net income/(expenditure)		**(108,065)**	**31,039**	**(77,026)**	332,618
Reconciliation of funds:					
Total funds brought forward		4,822,562	521,091	5,343,653	5,011,035
Total funds carried forward		**4,714,497**	**552,130**	**5,266,627**	5,343,653

BALANCE SHEET

AS AT 5 APRIL 2025

	Note	Total funds 2025 £	Total funds 2024 £
Investments	3	**4,958,037**	5,068,341
Current assets			
Cash at bank and in hand	4	**313,340**	279,614
		313,340	279,614
Creditors: Amounts falling due within one year	5	**(4,750)**	(4,302)
Net current assets		**308,590**	275,312
Total assets less current liabilities		**5,266,627**	5,343,653
Funds			
Restricted – capital account	9	**4,714,497**	4,822,562
Unrestricted – Income accumulated fund	9	**552,130**	521,091
Total funds		**5,266,627**	5,343,653

These financial statements were approved by the Trustees on 8/10/25 and signed on their behalf:

S. D. Stamp

Rev S Stamp – President

1 Accounting policies

Accounting convention

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) published October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The Lancashire Infirm Secular Clergy Fund meets the definition of a public benefit entity under FRS 102.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the 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) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Preparation of the accounts on a going concern basis

The trustees assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts. The Charity has sufficient reserves to mitigate any impact of potential reductions in investment income. Investment reports are received during the year and performance is reviewed. The Trustees have concluded that the charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the charity's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the accounts.

Investments

Investments are stated at mid-market value.

Investment income

Investment income is included in the Statement of Financial Activities on an accruals basis and is shown gross of recoverable tax.

Expenditure

Expenditure is included on an accruals basis. Grants are recognised in the year in which they are receivable.

Income accumulated fund (unrestricted fund)

The rules of the Fund state that annual income, not including benefactions, shall be applied to defray administration expenses and to pay infirmity allowances. The surplus income, if any, shall be added to the Income Accumulated Fund.

Capital account (restricted fund)

The rules of the Fund state that benefactions and profits arising from the realisation of investments shall be added to the capital account. Losses on the realisation of investments shall be made good out of the capital account.

1 Accounting policies (continued)

Critical accounting estimates and areas of judgement

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

There are no critical accounting estimates and assumptions.

Critical areas of judgement

There are no other critical areas of judgement in these accounts.

2a. Donations and legacies

	2025 £	2024 £
Bequests	**5,000**	1,740
	5,000	1,740

Income from donations and legacies for the year ended 5 April 2024 related to unrestricted funds.

2b Investment income

	2025 £	2024 £
Unit Trusts	**141,289**	145,464
Bank deposit interest	**15,046**	11,057
	156,335	156,522

Investment income in the years ended 5 April 2025 and 5 April 2024 related to unrestricted funds.

3 Investments

	2025 £	2024 £
Market value at 5 April 2023	**5,068,341**	4,754,507
Additions/(Disposals)	**-**	17,809
Net investment gains/(losses)	**(110,304)**	296,025
Market value at 5 April 2024	**4,958,037**	5,068,341
Historical cost at 5 April 2023	**4,285,145**	4,285,145
Additions/(Disposals)	**(52,624)**	-
Historical cost at 5 April 2024	**4,232,521**	4,285,145

The market value of investments is analysed as follows:

	2025 £	2024 £
Unit Trusts	**4,958,037**	5,068,341
Total market value of investments	**4,958,037**	5,068,341

All investments at the year end are held in unit trusts.

4 Cash

	2025 £	2024 £
Cash at bank and in hand	**12,517**	12,365
Cash held within investment portfolio	**300,823**	267,249
	313,340	279,614

5 Creditors: amounts falling due within one year

	2025 £	2024 £
Accruals	**4,750**	4,302

6 Support costs

	2025	2024
	£	£
Treasurer's expenses	**250**	335
Secretary's expenses	**600**	500
Independent examination	**3,048**	2,617
Postage, printing and stationery	**156**	152
Officers' meetings and AGM	**2,742**	1,652
	6,796	5,256

The Trustees received no remuneration (2024 - £nil) and were not reimbursed for any of their expenses in the year (2024 - £nil) except as set out above.

Support costs in the year ended 5 April 2025 and 5 April 2024 related to unrestricted funds.

The charity had no employees during the year.

7 Investment management costs

Investment management costs for the current year amount to a net rebate of £2,239 (2024: £1,337). Investment management costs/rebates are built into the underlying unit prices and represents restricted capital income.

8 Related Party Transactions

There were no related party transactions during the year.

9 Movements in charity funds

	Capital account 2025 £	Income accumulated fund 2025 £	Total funds 2025 £	Total funds 2024 £
At 5 April 2023	4,525,200	485,835	5,011,035	5,289,328
Net incoming/(outgoing) resources	1,337	35,256	36,593	99,371
Other recognised gains and losses	296,025	-	296,025	(377,664)
Net movement of funds available for future activities	297,362	35,256	332,618	(278,293)
At 5 April 2024	4,822,562	521,091	5,343,653	5,011,035
Net incoming/(outgoing) resources	2,239	31,039	33,278	36,593
Other recognised gains and losses	(110,304)	-	(110,304)	296,025
Net movement of funds available for future activities	(108,065)	31,039	77,026	332,618
At 5 April 2025	4,714,497	552,130	5,266,627	5,343,653

10 Analysis of net assets between funds

	Capital account £	Income accumulated fund £	Total funds £
Investments	4,714,497	243,540	4,958,037
Net current assets/(liabilities)	-	308,590	308,590
Net assets 5 April 2024	4,714,497	552,130	5,266,627

	Capital account £	Income accumulated fund £	Total funds £
Prior year			
Investments	4,822,562	245,779	5,068,341
Net current assets/(liabilities)	-	275,312	275,312
Net assets 5 April 2023	4,822,562	521,091	5,343,653

THE LANCASHIRE INFIRM SECULAR CLERGY FUND

England & Wales - Charity number 222796

Accounts

Charity No : 222796

The Lancashire Infirm Secular Clergy Fund

Trustees' Report and Financial Statements

For The Year Ended
5 April 2024

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THE LANCASHIRE INFIRM SECULAR CLERGY FUND

REFERENCE AND ADMINISTRATIVE INFORMATION

Trustees	Rev S Stamp Rev P Stanley Rev S D Hawksworth Rev A Prescott	
Officers	Rev S Stamp Rev P Stanley Rev S D Hawksworth	- President - Secretary - Treasurer
Independent examiner	N Mason FCA, DChA MHA Richard House Winckley Square Preston PR1 3HP	
Investment managers	Sarasin & Partners LLP Juxon House 100 St. Paul's Churchyard London EC4M 8BU	
Contact address	c/o Rev S D Hawksworth Treasurer St. John Vianney Presbytery 26 Glastonbury Avenue Blackpool FY1 6RD	

THE LANCASHIRE INFIRM SECULAR CLERGY FUND

TRUSTEES' REPORT

FOR THE YEAR ENDED 5 APRIL 2024

The Trustees present their report and financial statements for the year ended 5 April 2024. The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019.

Structure, governance and management

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Each financial year, the Trustees examine the major risks that the Fund faces. Systems have been established to mitigate these risks.

Objects and activities for the public benefit

The objects and activities of the Fund are the relief or support of the secular clergy of the Dioceses of Liverpool, Salford and Lancaster who are unable, through age or infirmity, to attend to the duties of their office and are in necessitous circumstances. The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit reporting when viewing the Fund's aims and objectives and in planning future activities and setting the grant making policy for the year.

Grant making policy

During the year the Fund has continued to make grants to infirm clergy. Applications for grants are reviewed against specific criteria and to ensure they are in accordance with the Rules.

Financial review and performance

The statement of financial activities shows net incoming resources for the year of £36,593 (2023: £99,371).

Other recognised gains and losses comprise realised and unrealised gains on investments and in 2024 there is a net gain of £296,025 compared to a net loss of £377,664 in 2023. The overall movement in reserves is a surplus of £332,618.

Reserves policy

It is the policy of the Fund to maintain unrestricted funds, which are free reserves in the income accumulated fund, at a level which equates to at least 12 months unrestricted expenditure. This provides sufficient funds to cover administration costs and to respond to emergency applications for grants. Unrestricted funds were maintained at least to this level throughout the year. The level of free reserves as at 5 April 2024 was £521,091 (2023 £485,835).

Investment objective and performance

The investment objective of the Fund is to seek to achieve capital growth over the longer term, subject to market conditions, and a corresponding increasing stream of income. In order to achieve this objective, the manager maintains a balanced portfolio of investments. The portfolio was invested in unit trusts.

Investment return

As at 5th April 2024, the portfolio for the rolling year returned 9.3% (net) which in nominal terms was an increase of £333,885 from the previous year. The portfolio value was £5,335,591. Income within the portfolio was marginally higher for the year at £145,465 versus £144,346 for the previous year.

Market Overview

The second half of 2023 saw subdued returns across most major asset classes. UK inflation rates, which had peaked last year, fell significantly to 6.7% by August which benefited corporate bonds. The strong performance of the 'Magnificent 7' continued to dominate the market which made it challenging for diversified portfolios to maintain pace with such a concentrated equity index. As a result, the portfolio recorded a total return of 4.9% for the period, underperforming the benchmark, which returned +6.7%. Key portfolio adjustments during this time included increasing exposure to technology companies (notably key beneficiaries of the growth in AI) and selling stocks primarily on valuation concerns (e.g. Palo Alto Networks). Our alternative exposure somewhat struggled, with gold and absolute return funds providing some relief but not offsetting the weakness experienced within infrastructure and renewables, as higher interest rates increased financing costs and encouraged investors into higher yielding/lower risk fixed income assets.

Asset class	Index	Annual Return (05/04/2023-05/04/2024)
Fixed Interest	ICE BofAML Sterling Corporate ICE BofAML UK Gilts	5.4% -2.7%
UK Equities	MSCI UK IMI	7.9%
Global Equities	MSCI AC World ex UK(Net TR)	21,4%
Global Property	S&P Developed Property	5.3%
UK Inflation	UK Retail Price Index	4.3%
LISCF Portfolio		9.3%

In the second half, the portfolio rebounded significantly. Firstly, a notable rally in both equity and bond markets was driven by a sharp decline in US inflation and indications that the Federal Reserve had reached peak interest rates. Bond investment returns were particularly strong as yields began to fall, although our preference for corporate bonds over gilts allowed us to profit from the c1% spread, having been reassured by the strength of company balance sheets. Our thematic equity selection performed well amidst the broader market rally and international equities outperformed the UK market, as our shift to a global equity approach proved advantageous. Alternatives saw modest returns due to further improvements in gold and narrowing discounts in both renewable and infrastructure funds, although they remained relatively weak compared to our other exposure to this asset class. Portfolio performance across the first half of 2024 totalled 7.3% against the composite benchmark of 8.1%.

Portfolio Positioning

Whilst we believe long term government bond yields are close to our estimate of fair value, the yields available from high quality, investment grade corporate bonds continue to look attractive as pension fund purchases remain strong. We remain overweight to equities as global earnings and dividend growth prove robust and market leadership is beginning to broaden out. Finally, we have established a strategic position to gold within the alternatives exposure, supported by debt fears across Western economies and extensive buying activity by central banks within emerging markets, which has been a significant contributor to returns in recent months.

The exposures of the Fund to the various asset classes at the start and end of the year were as follows:

	2024	2023
	%	%
Fixed interest	13.9	17.9
Global Equities	68.6	59.2
Global Property	3.2	3.8
Alternatives	6.7	11.8
Cash	7.6	7.3
	100.0	100.0

Conclusion

The previous twelve months has seen increased volatility due to geopolitical tensions, including the ongoing Israel-Hamas conflict and the volatile US presidential election landscape. Although short-term market volatility presents a challenge, forecasts for interest rate cuts in the second half of the year remain on track and an emphasis on quality and liquidity remains important as geopolitical risks rise.

This report was approved by the board of Trustees on 9/10/2024 and signed on its behalf

Simon D. Hawksworth

Rev S D Hawksworth -Treasurer

THE LANCASHIRE INFIRM SECULAR CLERGY FUND

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

FOR THE YEAR ENDED 5 APRIL 2024

I report to the charity trustees on my examination of the accounts of The Lancashire Infirm Secular Clergy Fund for the year ended 5 April 2024 which are set out on pages 6 to 12 appended to this report.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Nicola Mason

N Mason FCA, DChA

Date: 9/10/2024

MHA
Preston

THE LANCASHIRE INFIRM SECULAR CLERGY FUND

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 5 APRIL 2024

	Note	Capital account £	Income accumulated funds £	Total funds 2024 £	Total funds 2023 £
Income from:					
Donations and legacies	2a	-	1,740	1,740	79,152
Investment income	2b	-	156,522	156,522	144,346
Other income	7	1,337	-	1,337	1,993
Total income		1,337	158,262	159,599	225,491
Expenditure on					
Raising funds:					
Investment management costs	7	-	-	-	-
Expenditure on charitable activities:					
Grants to Infirm Clergy - Individuals		-	117,750	117,750	121,100
Support costs	6	-	5,256	5,256	5,020
Total expenditure		-	123,006	123,006	126,120
Net income/(expenditure) before gains/losses on investments		1,337	35,256	36,593	99,371
Net gains/(losses) on investments	3	296,025	-	296,025	(377,664)
Net income/(expenditure)		297,362	35,256	332,618	(278,293)
Reconciliation of funds:					
Total funds brought forward		4,525,200	485,835	5,011,035	5,289,328
Total funds carried forward		4,822,562	521,091	5,343,653	5,011,035

THE LANCASHIRE INFIRM SECULAR CLERGY FUND

BALANCE SHEET

AS AT 5 APRIL 2024

	Note	Total funds 2024 £	Total funds 2023 £
Investments	3	**5,068,341**	4,754,507
Current assets			
Cash at bank and in hand	4	**279,614**	260,563
		279,614	260,563
Creditors: Amounts falling due within one year	5	**(4,302)**	(4,035)
Net current assets		**275,312**	256,528
Total assets less current liabilities		**5,343,653**	5,011,035
Funds			
Restricted – capital account	9	**4,822,562**	4,525,200
Unrestricted – Income accumulated fund	9	**521,091**	485,835
Total funds		**5,343,653**	5,011,035

These financial statements were approved by the Trustees on 9/10/2024 and signed on their behalf:

Rev S Stamp – President

Rev S D Hawksworth – Treasurer

1 Accounting policies

Accounting convention

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) published October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The Lancashire Infirm Secular Clergy Fund meets the definition of a public benefit entity under FRS 102.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the 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) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Preparation of the accounts on a going concern basis

The trustees assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts. The Charity has sufficient reserves to mitigate any impact of potential reductions in investment income. Investment reports are received during the year and performance is reviewed. The Trustees have concluded that the charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the charity's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the accounts.

Investments

Investments are stated at mid-market value.

Investment income

Investment income is included in the Statement of Financial Activities on an accruals basis and is shown gross of recoverable tax.

Expenditure

Expenditure is included on an accruals basis. Grants are recognised in the year in which they are receivable.

Income accumulated fund (unrestricted fund)

The rules of the Fund state that annual income, not including benefactions, shall be applied to defray administration expenses and to pay infirmity allowances. The surplus income, if any, shall be added to the Income Accumulated Fund.

Capital account (restricted fund)

The rules of the Fund state that benefactions and profits arising from the realisation of investments shall be added to the capital account. Losses on the realisation of investments shall be made good out of the capital account.

1 Accounting policies (continued)

Critical accounting estimates and areas of judgement

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

There are no critical accounting estimates and assumptions.

Critical areas of judgement

There are no other critical areas of judgement in these accounts.

2a. Donations and legacies

	2024 £	2023 £
Bequests	**1,740**	79,152
Donations	-	-
	1,740	79,152

Income from donations and legacies for the year ended 5 April 2023 related to unrestricted funds.

2b Investment income

	2024 £	2023 £
Unit Trusts	**145,464**	140,544
Bank deposit interest	**11,057**	3,802
	156,522	144,346

Investment income in the years ended 5 April 2024 and 5 April 2023 related to unrestricted funds.

3 Investments

	2024 £	2023 £
Market value at 5 April 2023	**4,754,507**	5,132,171
Additions/(Disposals)	**17,809**	-
Net investment gains/(losses)	**296,025**	(377,664)
Market value at 5 April 2024	**5,068,341**	4,754,507
Historical cost at 5 April 2023	**4,285,145**	4,267,336
Additions/(Disposals)	**-**	-
Historical cost at 5 April 2024	**4,285,145**	4,267,336

The market value of investments is analysed as follows:

	2024 £	2023 £
Unit Trusts	**5,068,341**	4,754,507
Total market value of investments	**5,068,341**	4,754,507

All investments at the year end are held in unit trusts.

4 Cash

	2024 £	2023 £
Cash at bank and in hand	**12,365**	13,364
Cash held within investment portfolio	**267,249**	247,199
	279,614	260,563

5 Creditors: amounts falling due within one year

	2024 £	2023 £
Accruals	**4,302**	4,035

6 Support costs

	2024 £	2023 £
Treasurer's expenses	**335**	250
Secretary's expenses	**500**	500
Independent examination	**2,617**	2,730
Postage, printing and stationery	**152**	81
Officers' meetings and AGM	**1,652**	1,459
	5,256	5,020

The Trustees received no remuneration (2023 - £nil) and were not reimbursed for any of their expenses in the year (2023 - £nil) except as set out above.

Support costs in the year ended 5 April 2024 and 5 April 2023 related to unrestricted funds.

The charity had no employees during the year.

7 Investment management costs

Investment management costs for the current year amount to a net rebate of £1,337 (2023: £1,993). Investment management costs/rebates are built into the underlying unit prices and represents restricted capital income.

8 Related Party Transactions

There were no related party transactions during the year.

9 Movements in charity funds

	Capital account 2024 £	Income accumulated fund 2024 £	Total funds 2024 £	Total funds 2023 £
At 5 April 2022	4,900,871	388,457	5,289,328	5,163,338
Net incoming/(outgoing) resources	1,993	97,378	99,371	28,237
Other recognised gains and losses	(377,664)	-	(377,664)	97,753
Net movement of funds available for future activities	(375,671)	97,378	(278,293)	125,990
At 5 April 2023	4,525,200	485,835	5,011,035	5,289,328
Net incoming/(outgoing) resources	1,337	35,256	36,593	99,371
Other recognised gains and losses	296,025	-	296,025	(377,664)
Net movement of funds available for future activities	297,362	35,256	332,618	(278,293)
At 5 April 2024	4,822,562	521,091	5,343,653	5,011,035

10 Analysis of net assets between funds

	Capital account £	Income accumulated fund £	Total funds £
Investments	**4,822,562**	**245,779**	**5,068,341**
Net current assets/(liabilities)	**-**	**275,312**	**275,312**
Net assets 5 April 2024	**4,822,562**	**521,091**	**5,343,653**

	Capital account £	Income accumulated fund £	Total funds £
Prior year			
Investments	4,525,200	229,307	4,754,507
Net current assets/(liabilities)	-	256,528	256,528
Net assets 5 April 2023	4,525,200	485,835	5,011,035

THE LANCASHIRE INFIRM SECULAR CLERGY FUND

England & Wales - Charity number 222796

Accounts

Charity No : 222796

The Lancashire Infirm Secular Clergy Fund

Trustees' Report and Financial Statements

For The Year Ended
5 April 2023

mha
MOORE & SMALLEY

CONTENTS

Trustees	Rev S Stamp Rev P Stanley Rev S D Hawksworth Rev A Prescott	
Officers	Rev S Stamp Rev P Stanley Rev S D Hawksworth	- President - Secretary - Treasurer
Independent examiner	N Mason FCA, DChA MHA Moore and Smalley Chartered Accountants & Statutory Auditor Richard House Winckley Square Preston PR1 3HP	
Investment managers	Sarasin & Partners LLP Juxon House 100 St. Paul's Churchyard London EC4M 8BU	
Contact address	c/o Rev S D Hawksworth Treasurer St Joseph's Presbytery Caroline Street Preston PR1 5UY	

TRUSTEES' REPORT

FOR THE YEAR ENDED 5 APRIL 2023

The Trustees present their report and financial statements for the year ended 5 April 2023. The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019.

Structure, governance and management

The Fund is governed by the constitution revised in 2014 which was approved by the Charity Commission.

The Officers of the Fund are elected at the Annual General Meeting for a period of three years. Members who are resident in any of the Dioceses shall be entitled to vote at elections. Any member, whether present or not at the Annual General Meeting, is eligible to be elected as an Officer of the Fund. The required number of Trustees at any time is four.

Each financial year, the Trustees examine the major risks that the Fund faces. Systems have been established to mitigate these risks.

Objects and activities for the public benefit

The objects and activities of the Fund are the relief or support of the secular clergy of the Dioceses of Liverpool, Salford and Lancaster who are unable, through age or infirmity, to attend to the duties of their office and are in necessitous circumstances. The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit reporting when viewing the Fund's aims and objectives and in planning future activities and setting the grant making policy for the year.

Grant making policy

During the year the Fund has continued to make grants to infirm clergy. Applications for grants are reviewed against specific criteria and to ensure they are in accordance with the Rules.

Financial review and performance

The statement of financial activities shows net incoming resources for the year of £99,371 (2022: £28,237).

Other recognised gains and losses comprise realised and unrealised gains on investments and in 2023 there is a net loss of £377,664 compared to a net gain of £97,753 in 2022. The overall movement in reserves is a deficit of £278,293.

Reserves policy

It is the policy of the Fund to maintain unrestricted funds, which are free reserves in the income accumulated fund, at a level which equates to at least 12 months unrestricted expenditure. This provides sufficient funds to cover administration costs and to respond to emergency applications for grants. Unrestricted funds were maintained at least to this level throughout the year. The level of free reserves as at 5 April 2023 was £485,835 (2022 £388,457).

Investment objective and performance

The investment objective of the Fund is to seek to achieve capital growth over the longer term, subject to market conditions, and a corresponding increasing stream of income. In order to achieve this objective, the manager maintains a balanced portfolio of investments. The portfolio was invested in unit trusts.

Investment return

The portfolio for the rolling year, as at 5th April 2023, returned -4.3% net which in nominal terms was a decrease of £281,325 from the previous year. The portfolio value is £5,001,706. Income within the portfolio was slightly higher for the year at £144,346 versus £140,654 in the last year.

Markets' Overview

Investment returns for the past 12 months have been a tale of two halves. With Russia's invasion of Ukraine came rising inflation, which, added to the supply shock created by the COVID-19 pandemic, caused central banks to raise interest rates faster and higher than many had anticipated. This, along with mounting recessionary concerns, triggered falls across both equity and bond markets over the following months as investors reduced the amount of risk in their portfolios given the level of uncertainty they were facing. October, by contrast, brought a sense of optimism as data releases began to imply that inflation was showing signs of nearing a peak. This optimism was further strengthened by the rapid reopening of China in early 2023 and falling wholesale gas prices in Europe (due to the warmer weather and greater than expected demand destruction). Since this point, and in spite of the many oscillations in sentiment and a banking crisis in Europe & the US in March, returns for equity investors have rebounded strongly. The resurgence has been led by a relatively narrow set of US listed technology companies, which have benefitted from the renewed excitement in large language models and the advances in machine learning.

Asset class	Index	Annual Return (05/04/2022-05/04/2023)
Fixed Interest	ICE BofAML Sterling Corporate ICE BofAML UK Gilts	-10.6% -16.3%
UK Equities	MSCI UK IMI	1.9%
Global Equities	MSCI AC World ex UK(Net TR)	-8.0%
Global Property	S&P Developed Property	-22.3%
UK Inflation	UK Retail Price Index	13.5%
LISCF Portfolio		-4.3%

Having experienced a -21.4% drop in the MSCI ACWI index during the first 6 months of this period (March to September 2022) in reaction to the ongoing events, we saw the equity market broadly rally, up 17.8% from end of September (to 31/03/2023), with the Nasdaq up 20.1%. This was the result of increased expectation that we might see a policy pivot as economic growth showed signs of slowing, increasing the likelihood of a scenario where Central Banks achieve a softer landing and earlier interest rate cuts. Over the entire period, the net result was that equity returns within the Endowments and Income and reserves funds were broadly neutral over the rolling year (as at 31/03/2023).

Market expectations for peak global interest rates increased over the course of these 12 months. In the US, peak Federal Fund rate expectations increased from just c. 2% in March 2022 to over 5% by March 2023. Sovereign bond yields, therefore, continued to rise (while their prices fell) in the first 6 months of this period, with the 2-year 10-year US Treasury yield curve inverting (a common recessionary indicator). UK Government Bonds specifically generated a return of -20.4% (31/03/2022-30/09/2022) with inflationary concerns weighing on performance, further exacerbated by temporary concerns around the stability of the UK's economy in September. Whilst, the bond market stabilised over the latter 6 months, with the UK Gilt Index up 4.0% in this period, our underweight to fixed income in the earlier months helped the relative performance of both funds.

Portfolio Positioning

Having had limited exposure to fixed income in 2022, falling capital values have meant that the yields on offer, particularly from high-quality, investment grade corporate bonds, look increasingly attractive. This has provided an opportunity to start adding back to positions, which had been roughly half-weighted, to a more neutral level by the end of the twelve months.

The portfolio benefitted from our continued focus on high quality businesses with strong balance sheets and meaningful pricing power, with companies like Merck & Co (diversified pharmaceuticals), National Instruments (software and hardware for engineers and scientists) and Broadcom (semiconductors and infrastructure software) contributing strongly to performance.

The exposures of the Fund to the various asset classes at the start and end of the year were as follows:

	2023	**2022**
	%	%
Fixed interest	17.9	11.0
Global Equities	59.2	64.2
Global Property	3.8	5.0
Alternatives	11.8	12.5
Cash	7.3	7.3
	100.0	100.0

This report was approved by the board of Trustees on 11-10-23 and signed on its behalf

Simon D Hawksworth

Rev S D Hawksworth -Treasurer

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE LANCASHIRE INFIRM SECULAR CLERGY FUND

I report to the charity trustees on my examination of the accounts of The Lancashire Infirm Secular Clergy Fund for the year ended 5 April 2023 which are set out on pages 6 to 12 appended to this report.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Nicola Mason ....

N Mason FCA, DChA

Date: 11/10/2023

MHA Moore and Smalley
Chartered Accountants
Preston

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 5 APRIL 2023

	Note	Capital account £	Income accumulated funds £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and legacies	2a	-	79,152	79,152	-
Investments	2b	-	144,346	144,346	140,654
Other income		1,993	-	1,993	7,251
Total income		1,993	223,498	225,491	147,905
Expenditure on					
Raising funds:					
Investment management costs	7	-	-	-	-
Expenditure on charitable activities:					
Grants to Infirm Clergy - Individuals		-	121,100	121,100	114,100
Support costs	6	-	5,020	5,020	5,568
Total expenditure		-	126,120	126,120	119,668
Net income/(expenditure) before gains/losses on investments		1,993	97,378	99,371	28,237
Net gains/(losses) on investments	3	(377,664)	-	(377,664)	97,753
Net income/(expenditure)		(375,671)	97,378	(278,293)	125,990
Reconciliation of funds:					
Total funds brought forward		4,900,871	388,457	5,289,328	5,163,338
Total funds carried forward		4,525,200	485,835	5,011,035	5,289,328

BALANCE SHEET

AS AT 5 APRIL 2023

	Note	Total funds 2023 £	Total funds 2022 £
Investments	3	**4,754,507**	5,132,171
Current assets			
Cash at bank and in hand	4	**260,563**	160,962
		260,563	160,962
Creditors: Amounts falling due within one year	5	**(4,035)**	(3,805)
Net current assets		**256,528**	157,157
Total assets less current liabilities		**5,011,035**	5,289,328
Funds			
Restricted – capital account	9	**4,525,200**	4,900,871
Unrestricted – Income accumulated fund	9	**485,835**	388,457
Total funds		**5,011,035**	5,289,328

These financial statements were approved by the Trustees on 11/10/2023 and signed on their behalf:

S. P. Stamp

Rev S Stamp – President

Simon D. Hawksworth

Rev S D Hawksworth – Treasurer

1 Accounting policies

Accounting convention

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) published October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The Lancashire Infirm Secular Clergy Fund meets the definition of a public benefit entity under FRS 102.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the 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) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Preparation of the accounts on a going concern basis

The trustees assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts. The Charity has sufficient reserves to mitigate any impact of potential reductions in investment income. Investment reports are received during the year and performance is reviewed. The Trustees have concluded that the charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the charity's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the accounts.

Investments

Investments are stated at mid-market value.

Investment income

Investment income is included in the Statement of Financial Activities on an accruals basis and is shown gross of recoverable tax.

Expenditure

Expenditure is included on an accruals basis. Grants are recognised in the year in which they are receivable.

Income accumulated fund (unrestricted fund)

The rules of the Fund state that annual income, not including benefactions, shall be applied to defray administration expenses and to pay infirmity allowances. The surplus income, if any, shall be added to the Income Accumulated Fund.

Capital account (restricted fund)

The rules of the Fund state that benefactions and profits arising from the realisation of investments shall be added to the capital account. Losses on the realisation of investments shall be made good out of the capital account.

1 Accounting policies (Continued)

Critical accounting estimates and areas of judgement

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions
There are no critical accounting estimates and assumptions.

Critical areas of judgement
There are no other critical areas of judgement in these accounts.

2a. Donations and legacies

	2023 £	2022 £
Bequests	**79,152**	-
Donations	**-**	-
	79,152	-

Income from donations and legacies for the year ended 5 April 2022 related to unrestricted funds.

2b Investment income

	2023 Total £	2022 Total £
Unit Trusts	**140,544**	140,553
Bank deposit interest	**3,802**	101
	144,346	140,654

Investment income in the years ended 5 April 2023 and 5 April 2022 related to unrestricted funds.

3 Investments

	2023 Total £	2022 Total £
Market value at 5 April 2022	**5,132,171**	5,044,418
Additions/(Disposals)	**-**	(10,000)
Net investment gains/(losses)	**(377,664)**	97,753
Market value at 5 April 2023	**4,754,507**	5,132,171
Historical cost at 5 April 2022	**4,267,336**	4,275,608
Additions/(Disposals)	**-**	(8,272)
Historical cost at 5 April 2023	**4,267,336**	4,267,336

The market value of investments is analysed as follows:

	2023	2022
Unit Trusts	**4,754,507**	5,132,171
Total market value of investments	**4,754,507**	5,132,171

All investments at the year end are held in unit trusts.

4 Cash

	2023 Total £	2022 Total £
Cash at bank and in hand	**13,364**	10,102
Cash held within investment portfolio	**247,199**	150,860
	260,563	160,962

5 Creditors: amounts falling due within one year

	2023 Total £	2022 Total £
Accruals	**4,035**	3,805

6 Support costs

	2023 Total £	2022 Total £
Treasurer's expenses	**250**	750
Secretary's expenses	**500**	1,000
Independent examination	**2,730**	2,715
Postage, printing and stationery	**81**	103
Officers' meetings and AGM	**1,459**	1,000
	5,020	5,568

The Trustees received no remuneration (2022 - £nil) and were not reimbursed for any of their expenses in the year (2022 - £nil) except as set out above.

Support costs in the year ended 5 April 2023 and 5 April 2022 related to unrestricted funds.

The charity had no employees during the year.

7 Investment management costs

Investment management costs for the current year amount to a net rebate of £1,993 (2022: £3,251). Investment management costs/rebates are built into the underlying unit prices.

8 Related Party Transactions

There were no related party transactions during the year.

9 Movements in charity funds

	Capital account 2023 £	Income accumulated fund 2023 £	Total funds 2023 £	Total funds 2022 £
At 5 April 2021	4,799,867	363,471	5,163,338	4,211,669
Net incoming/(outgoing) resources	3,251	24,986	28,237	47,776
Other recognised gains and losses	97,753	-	97,753	903,893
Net movement of funds available for future activities	101,004	24,986	125,990	951,669
At 5 April 2022	4,900,871	388,457	5,289,328	5,163,338
Net incoming/(outgoing) resources	1,993	97,378	99,371	28,237
Other recognised gains and losses	(377,664)	-	(377,664)	97,753
Net movement of funds available for future activities	(375,671)	97,378	(278,293)	125,990
At 5 April 2023	4,525,200	485,835	5,011,035	5,289,328

10 Analysis of net assets between funds

	Capital account £	Income accumulated fund £	Total funds £
Investments	**4,525,200**	**229,307**	**4,754,507**
Net current assets/(liabilities)	**-**	**256,528**	**256,528**
Net assets 5 April 2023	**4,525,200**	**485,835**	**5,011,035**

Prior year	Capital account £	Income accumulated fund £	Total funds £
Investments	4,900,871	231,300	5,132,171
Net current assets/(liabilities)	-	157,157	157,157
Net assets 5 April 2022	4,900,871	388,457	5,289,328

Accounts

Charity No : 222796

The Lancashire Infirm Secular Clergy Fund

Trustees' Report and Financial Statements

For The Year Ended
5 April 2022

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MOORE & SMALLEY

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THE LANCASHIRE INFIRM SECULAR CLERGY FUND

REFERENCE AND ADMINISTRATIVE INFORMATION

Trustees	Rev S Stamp Rev P Stanley Rev S D Hawksworth Rev A Prescott
Officers	Rev A Prescott - President Rev P Stanley - Secretary Rev S D Hawksworth - Treasurer
Independent examiner	N Mason FCA, DChA MHA Moore and Smalley Chartered Accountants & Statutory Auditor Richard House Winckley Square Preston PR1 3HP
Investment managers	Sarasin & Partners LLP Juxon House 100 St. Paul's Churchyard London EC4M 8BU
Contact address	c/o Rev S D Hawksworth Treasurer St Joseph's Presbytery Caroline Street Preston PR1 5UY

THE LANCASHIRE INFIRM SECULAR CLERGY FUND

TRUSTEES' REPORT

FOR THE YEAR ENDED 5 APRIL 2022

The Trustees present their report and financial statements for the year ended 5 April 2022. The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019.

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Each financial year, the Trustees examine the major risks that the Fund faces. Systems have been established to mitigate these risks.

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The objects and activities of the Fund are the relief or support of the secular clergy of the Dioceses of Liverpool, Salford and Lancaster who are unable, through age or infirmity, to attend to the duties of their office and are in necessitous circumstances. The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit reporting when viewing the Fund's aims and objectives and in planning future activities and setting the grant making policy for the year.

Grant making policy

During the year the Fund has continued to make grants to infirm clergy. Applications for grants are reviewed against specific criteria and to ensure they are in accordance with the Rules.

Financial review and performance

The statement of financial activities shows net incoming resources for the year of £28,237 (2021: £47,776).

Other recognised gains and losses comprise realised and unrealised gains on investments and in 2022 there is a net gain of £125,990 compared to a net gain of £903,893 in 2021. The overall increase in the funds for the year is £125,990.

Reserves policy

It is the policy of the Fund to maintain unrestricted funds, which are free reserves in the income accumulated fund, at a level which equates to at least 12 months unrestricted expenditure. This provides sufficient funds to cover administration costs and to respond to emergency applications for grants. Unrestricted funds were maintained at least to this level throughout the year. The level of free reserves as at 5 April 2022 was £388,457 (2021 £363,471).

Investment objective and performance

The investment objective of the Fund is to seek to achieve capital growth over the longer term, subject to market conditions, and a corresponding increasing stream of income. In order to achieve this objective, the manager maintains a balanced portfolio of investments. The portfolio was invested in unit trusts.

Investment return

The portfolio for the rolling year financial year ending 5^{th} April 2021 returned 4.7% net which in nominal terms was an increase of £121,658 from the previous year. The portfolio value is £5,132,171. Income within the portfolio was slightly under for the year at £140,654 versus £150,107 in the last year.

Markets' Overview

Over this past year, there has been a lot of uncertainty within the markets. The supply chain constraints that occurred following the easing of COVID restrictions saw the shift in demand cause a significant rise in inflation as inventories struggled to keep up. The invasion of Ukraine, and the subsequent sanctions on Russian entities, has only exacerbated the situation. Add to this the Omicron-induced lockdowns in China, resulting from their Zero-Covid policy, which hit Shenzhen and other major cities that are critical for global manufacturing supply chains.

So where does that leave us now? Inflation is looking increasingly structural. As central banks, such as the Fed, European Central Bank (ECB) and Bank of England, turn ever more hawkish and continue their respective hiking cycles, and fears around cost pressures and supply chain disruptions further weigh on consumers, the questions now are on the subject of recessions; with this increased likelihood of recession, how long and how deep will it be?

So far, the investment managers see one of three scenarios playing out:

1 Soft landing – Central Banks manage to bring down inflation faster than is currently anticipated, so interest rates aren't hiked as much. This leads to a short bear market, triggered by the fear of rising interest rates, to rally as markets have successfully purged the excessive risk appetite seen last year (especially within tech stocks)

2 Recession – rising interest rates lead to a fall in inflation, but – similar to Volker in the early 1980s – also trigger a deeper fall in GDP, leading to an eventual rate reversal and easing of policies

3 Stagflation/deep recession – rising inflation causes inflation expectations to become de-anchored. This in addition to the rising rates leads to a fall in GDP, tighter money supply, all potentially exacerbated by worsening geo-political tensions.

Asset class	Index	Annual Return (05/04/2021-05/04/2022)
Fixed Interest	ICE BofAML Sterling Corporate	-5.9%
	ICE BofAML UK Gilts	-6.0%
UK Equities	MSCI UK IMI	15.5
Global Equities	MSCI AC World ex UK(Net TR)	4.8%
Global Property	S&P Developed Property	13.2%
UK Inflation	UK Retail Price Index	9.0%
LISCF Portfolio		4.7%

Having experienced a -20.2% drop in the MSCI ACWI index during the first 6 months of this year in reaction to the ongoing events, we saw the equity market broadly rally, up 3% from end of June (to 31/08/2022), with the S&P 500 up 4.7%. This was the result of increased expectation that there might be a policy pivot as economic growth showed signs of slowing, increasingly the likelihood of a scenario 1 situation, where Central Banks achieve a softer landing and earlier interest rate cuts. However, the US August inflation number has shaken this momentary optimism, as it came in higher than expected at 8.3% (CPI year on year), causing the S&P 500 to fall more than 4.3% to its worst day since June 2020, and increasing the expectation of a scenario 2 situation. Equity returns within both the Endowments and Income and reserves funds are negative both year to date, and over the rolling year (as at 31/08/2022).

Sovereign bond yields have continued to rise (while their prices fall) with the 2-year 10-year US Treasury yield curve inverting (a common recessionary indicator). UK Government Bonds (1-10Y) specifically have generated a return of -7.6% YTD (31/08/2022); Fixed Income markets seem to be leaning more towards a scenario 2 or even scenario 3 situation, with banks like Goldman Sachs predicting headline inflation to hit over 22% in 2023. Higher risk bonds have especially suffered, with the like of the Italian 10-year yield briefly breaching 4% at the beginning of September as traders bet that the ECB will hike rates more aggressively in response to their latest inflation figures. Even market expectations for the Federal Funds Rate have increased to now have a peak of c. 4%, compared to c. 2% in early March this year. Given the high weighting to bonds, the Income & Reserve fund's performance has therefore suffered, down -13.0% YTD relative to the Endowments Fund at -8.0% (as at 31/08/2022). Our underweight to fixed income has helped the relative performance of both funds.

Portfolio Positioning

With such inflationary speculation and negative market sentiment, we have continued to move away from fixed income towards an overweight in alternatives and property for the purposes of increased diversification and uncorrelated return potential. We also reduced our equity holding, moving from cyclicals and growth to more defensive stocks, and have increased the cash holding so we can seize any buying opportunities.

The exposures of the Fund to the various asset classes at the start and end of the year were as follows:

	2022	2021
	%	%
Fixed interest	11.0	15.2
UK Equities	20.0	18.4
Global Equities	44.2	48.5
Global Property	5.0	2.2
Alternatives	12.5	7.8
Cash	7.3	7.9
	100.0	100.0

This report was approved by the board of Trustees on 12-10-22 and signed on its behalf

Simon D. Hawksworth

Rev S D Hawksworth -Treasurer

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE LANCASHIRE INFIRM SECULAR CLERGY FUND

I report to the charity trustees on my examination of the accounts of The Lancashire Infirm Secular Clergy Fund for the year ended 5 April 2022 which are set out on pages 6 to 12 appended to this report.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Nicola Mason

N Mason FCA, DChA

Date: 12/10/22

MHA Moore and Smalley
Chartered Accountants
Preston

THE LANCASHIRE INFIRM SECULAR CLERGY FUND

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 5 APRIL 2022

	Note	Capital account £	Income accumulated funds £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	2a	-	-	-	10,500
Investments	2b	-	**140,654**	**140,654**	150,107
Other income		**3,251**	**4,000**	**7,251**	1,867
Total Income		**3,251**	**144,654**	**147,905**	162,474
Expenditure on Raising funds:					
Investment management costs	7	-	-	-	20
Expenditure on charitable activities:					
Grants to Infirm Clergy - Individuals		-	**114,100**	**114,100**	112,000
Other charitable activities		-	-	-	19
Support costs	6	-	**5,568**	**5,568**	2,659
Total expenditure		-	**119,668**	**119,668**	114,698
Net income/(expenditure) before gains/losses on investments		**3,251**	**24,986**	**28,237**	47,776
Net gains/(losses) on investments	3	**97,753**	-	**97,753**	903,893
Net income/(expenditure)		**101,004**	**24,986**	**125,990**	951,669
Reconciliation of funds:					
Total funds brought forward		**4,799,867**	**363,471**	**5,163,338**	4,211,669
Total funds carried forward		**4,900,871**	**388,457**	**5,289,328**	5,163,338

THE LANCASHIRE INFIRM SECULAR CLERGY FUND

BALANCE SHEET

AS AT 5 APRIL 2022

	Note	Total funds 2022 £	Total funds 2021 £
Investments	3	**5,132,171**	5,044,418
Current assets			
Cash at bank and in hand	4	**160,962**	121,560
		160,962	121,560
Creditors: Amounts falling due within one year	5	**(3,805)**	(2,640)
Net current assets		**157,157**	118,920
Total assets less current liabilities		**5,289,328**	5,163,338
Funds			
Restricted – capital account	9	**4,900,871**	4,799,867
Unrestricted – income accumulated fund	9	**388,457**	363,471
Total funds		**5,289,328**	5,163,338

These financial statements were approved by the Trustees on 12/10/22 and signed on their behalf:

Rev A Prescott – President

Simon D. Hawksworth

Rev S D Hawksworth – Treasurer

1 Accounting policies

Accounting convention

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) published October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The Lancashire Infirm Secular Clergy Fund meets the definition of a public benefit entity under FRS 102.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the 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) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Preparation of the accounts on a going concern basis

The trustees assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts. The Charity has sufficient reserves to mitigate any impact of potential reductions in investment income. Investment reports are received during the year and performance is reviewed. The Trustees have concluded that the charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the charity's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the accounts.

Investments

Investments are stated at mid-market value.

Investment income

Investment income is included in the Statement of Financial Activities on an accruals basis and is shown gross of recoverable tax.

Expenditure

Expenditure is included on an accruals basis. Grants are recognised in the year in which they are receivable.

Income accumulated fund (unrestricted fund)

The rules of the Fund state that annual income, not including benefactions, shall be applied to defray administration expenses and to pay infirmity allowances. The surplus income, if any, shall be added to the Income Accumulated Fund.

Capital account (restricted fund)

The rules of the Fund state that benefactions and profits arising from the realisation of investments shall be added to the capital account. Losses on the realisation of investments shall be made good out of the capital account.

1 Accounting policies (Continued)

Critical accounting estimates and areas of judgement

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions
There are no critical accounting estimates and assumptions.

Critical areas of judgement
There are no other critical areas of judgement in these accounts.

2a. Donations and legacies

	2022 £	2021 £
Bequests	-	10,000
Donations	-	500
	-	10,500

Income from donations and legacies for the year ended 5 April 2021 related to unrestricted funds.

2b Investment income

	2022 Total £	2021 Total £
Unit Trusts	**140,553**	149,912
Bank deposit interest	**101**	195
	140,654	150,107

Investment income in the years ended 5 April 2022 and 5 April 2021 related to unrestricted funds.

3 Investments

	2022 Total £	2021 Total £
Market value at 5 April 2021	**5,044,418**	4,002,717
Additions/(Disposals)	**(10,000)**	137,808
Net investment gains/(losses)	**97,753**	903,893
Market value at 5 April 2022	**5,132,171**	5,044,418
Historical cost at 5 April 2021	**4,275,608**	4,137,800
Additions/(Disposals)	**(8,272)**	137,808
Historical cost at 5 April 2022	**4,267,336**	4,275,608

The market value of investments is analysed as follows:

	2022	2021
Unit Trusts	**5,132,171**	5,044,419
Total market value of investments	**5,132,171**	5,044,419

All investments at the year end are held in unit trusts.

4 Cash

	2022 Total £	2021 Total £
Cash at bank and in hand	**10,102**	4,605
Cash held within investment portfolio	**150,860**	116,955
	160,962	121,560

5 Creditors: amounts falling due within one year

	2022 Total £	2021 Total £
Accruals	**3,805**	2,640

6 Support costs

	2022 Total £	2021 Total £
Treasurer's expenses	**750**	-
Secretary's expenses	**1,000**	-
Independent examination	**2,715**	2,555
Postage, printing and stationery	**103**	104
Officers' meetings and AGM	**1,000**	-
	5,568	2,659

The Trustees received no remuneration (2021 - £nil) and were not reimbursed for any of their expenses in the year (2021 - £nil) except as set out above.

Support costs in the year ended 5 April 2022 and 5 April 2021 related to unrestricted funds.

The charity had no employees during the year.

7 Investment management costs

Investment management costs for the current year amount to a net rebate of £3,251 (2021: £1,867). Investment management costs/rebates are built into the underlying unit prices.

8 Related Party Transactions

There were no related party transactions during the year.

9 Movements in charity funds

	Capital account 2022 £	Income accumulated fund 2022 £	Total funds 2022 £	Total funds 2021 £
At 5 April 2020	3,894,107	317,562	4,211,669	4,484,194
Net incoming/(outgoing) resources	1,867	45,909	47,776	37,870
Other recognised gains and losses	903,893	-	903,893	(310,395)
Net movement of funds available for future activities	905,760	45,909	951,669	(272,525)
At 5 April 2021	4,799,867	363,471	5,163,338	4,211,669
Net incoming/(outgoing) resources	**3,251**	**24,986**	**28,237**	47,776
Other recognised gains and losses	**97,753**	**-**	**97,753**	903,893
Net movement of funds available for future activities	**101,004**	**24,986**	**125,990**	951,669
At 5 April 2022	**4,900,871**	**388,457**	**5,289,328**	5,163,338

10 Analysis of net assets between funds

	Capital account £	Income accumulated fund £	Total funds £
Investments	**4,900,871**	**231,300**	**5,132,171**
Net current assets/(liabilities)	**-**	**157,157**	**157,157**
Net assets 5 April 2022	**4,900,871**	**388,457**	**5,289,328**

	Capital account £	Income accumulated fund £	Total funds £
Prior year			
Investments	4,799,867	244,551	5,044,418
Net current assets/(liabilities)	-	118,920	118,920
Net assets 5 April 2021	4,799,867	363,471	5,163,338

THE LANCASHIRE INFIRM SECULAR CLERGY FUND

England & Wales - Charity number 222796

Accounts

Charity No : 222796

The Lancashire Infirm Secular Clergy Fund

Trustees' Report and Financial Statements

For The Year Ended 5 April 2021

mha
MOORE & SMALLEY

CONTENTS

REFERENCE AND ADMINISTRATIVE INFORMATION

Trustees	Rev S Stamp Rev P Stanley Rev S D Hawksworth Rev A Prescott
Officers	Rev A Prescott - President Rev P Stanley - Secretary Rev S D Hawksworth - Treasurer
Independent examiner	N Mason FCA, DChA MHA Moore and Smalley Chartered Accountants & Statutory Auditor Richard House Winckley Square Preston PR1 3HP
Investment managers	Sarasin & Partners LLP Juxon House 100 St. Paul's Churchyard London EC4M 8BU
Contact address	c/o Rev S D Hawksworth Treasurer St Joseph's Presbytery Caroline Street Preston PR1 5UY

TRUSTEES' REPORT

FOR THE YEAR ENDED 5 APRIL 2021

The Trustees present their report and financial statements for the year ended 5 April 2021. The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019.

Structure, governance and management

The Fund is governed by the constitution revised in 2014 which was approved by the Charity Commission.

The Officers of the Fund are elected at the Annual General Meeting for a period of three years. Members who are resident in any of the Dioceses shall be entitled to vote at elections. Any member, whether present or not at the Annual General Meeting, is eligible to be elected as an Officer of the Fund. The required number of Trustees at any time is four.

Each financial year, the Trustees examine the major risks that the Fund faces. Systems have been established to mitigate these risks.

Objects and activities for the public benefit

The objects and activities of the Fund are the relief or support of the secular clergy of the Dioceses of Liverpool, Salford and Lancaster who are unable, through age or infirmity, to attend to the duties of their office and are in necessitous circumstances. The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit reporting when viewing the Fund's aims and objectives and in planning future activities and setting the grant making policy for the year.

Grant making policy

During the year the Fund has continued to make grants to infirm clergy. Applications for grants are reviewed against specific criteria and to ensure they are in accordance with the Rules.

Financial review and performance

The statement of financial activities shows net incoming resources for the year of £47,776 (2020: £37,870).

Other recognised gains and losses comprise realised and unrealised gains on investments and in 2021 there is a net gain of £903,893 compared to a net loss of £310,395 in 2020. The overall increase in the funds for the year is £951,669.

Reserves policy

It is the policy of the Fund to maintain unrestricted funds, which are free reserves in the income accumulated fund, at a level which equates to at least 12 months unrestricted expenditure. This provides sufficient funds to cover administration costs and to respond to emergency applications for grants. Unrestricted funds were maintained at least to this level throughout the year. The level of free reserves as at 5 April 2021 was £363,471 (2020 £317,562).

Investment objective and performance

The investment objective of the Fund is to seek to achieve capital growth over the longer term, subject to market conditions, and a corresponding increasing stream of income. In order to achieve this objective, the manager maintains a balanced portfolio of investments. The portfolio value as at 5 April 2021 was £5,044,418 all of which was invested in unit trusts.

Investment return

The portfolio for the financial year ending 5th April 2021 returned 25.2% net which in nominal terms was an increase of £960,847 from the previous year. The end of year value was £5,161,373. Income within the portfolio was virtually flat for the year of £150,107 versus £149,835 in the last financial year.

Markets' Overview

It has turned into a good year for global equities, which have produced a total return of just over 61.1% in sterling terms. Whilst growth stocks performed well in the early stages of the year the out-performance of cyclical and value sectors towards the end of the year has meant that, for the portfolio , it was a year of two halves with strong outperformance in the first half followed by some relative underperformance.

Bonds, in the form of Gilts, have also had a good year generating a positive 7.9% performance. However they also had a bifurcated year with good absolute performance in the first half giving way to some underperformance latterly due to yields rising on the back of improved economic growth expectations and over the prospect of higher inflation. From a currency perspective, sterling crept higher either side of the Brexit deal but for the time being, the rally has run out of steam. Looking forward, much will depend on the appetite of international investors for UK assets.

The spectre of rising inflation in the middle of this year was always likely to challenge market confidence and so it has proved over the opening months of 2021. This, together with the continued momentum behind more cyclical and value-oriented shares, has blunted our short-term performance. While we have generated a positive return, we have given up some of the strong relative performance achieved last year.

The monetary and fiscal support for economies around the world continues to be extraordinary. This means that confidence in the economic recovery has increased, which is supportive for jobs and incomes. However, higher economic growth expectations have quickly moved to boost expectations of future inflation, with the persistent question of core versus transitory. We have not changed our expectation that US inflation will spike this year/early next year, before subsiding again in the fourth quarter and into 2022, with a similar pattern occurring in the UK. However, the market currently seems less convinced about the decline we are forecasting over the latter part of the year. This is critical as the outcome will determine how long central banks can maintain interest rates at super-low levels. The outlook for inflation remains our single biggest concern from an economic perspective and we will continue to monitor the underlying factors closely.

For the moment, we still feel there is enough slack in labour markets for higher inflation to be a temporary phenomenon. The longer-term impact of the COVID lockdown, global demographics and the extraordinarily high levels of debt in the system are more likely to prove deflationary over the medium and longer term. Against this backdrop, we feel a bias towards equities remains appropriate, with a continued focus on high quality companies that we believe will be able to grow their profits at above average levels and in a sustainable manner.

As you can see from below, equity markets exceeded all other asset classes as excess liquidity from central bank stimulus poured into this asset class over the last financial year:

Asset class	Index	Annual Return (05/04/2020-05/04/2021)
Fixed Interest	ICE BofAML Sterling Corporate ICE BofAML UK Gilts	7.9% -5.8%
UK Equities	MSCI UK IMI	31.7%
Global Equities	MSCI AC World (GBP)	61.1%
Global Property	S&P Developed Property	48.7%
UK Inflation	UK Retail Price Index	1.4%
LISCF Portfolio		25.2%

Portfolio Investment Mix

With the announcement of the vaccine back in November 2020, we have moved away from fixed income and overweight equities, transferring into the slightly more value, market-orientated stocks.

The exposures of the Fund to the various asset classes at the start and end of the year were as follows:

	2021	**2020**
	%	%
Fixed interest	15.2	20.3
UK Equities	18.4	15.6
Global Equities	48.5	43.3
Global Property	2.2	2.9
Alternatives	7.8	9.4
Cash	7.9	6.1
	100.0	100.0

This report was approved by the board of Trustees on 20/01/2022 ………………… and signed on its behalf

Simon D. Hawksworth

……………………………………..
Rev S D Hawksworth -Treasurer

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF

THE LANCASHIRE INFIRM SECULAR CLERGY FUND

I report to the charity trustees on my examination of the accounts of The Lancashire Infirm Secular Clergy Fund for the year ended 5 April 2021 which are set out on pages 6 to 12 appended to this report.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Nicola Mason

…………………………………

N Mason FCA, DChA

Date: 26/01/2022

MHA Moore and Smalley
Chartered Accountants
Preston

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 5 APRIL 2021

	Note	Capital account £	Income accumulated funds £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations and legacies	2a	**-**	**10,500**	**10,500**	2,300
Investments	2b	**-**	**150,107**	**150,107**	149,835
Other income		**1,867**	**-**	**1,867**	1,145
Total income		**1,867**	**160,607**	**162,474**	153,280
Expenditure on Raising funds:					
Investment management costs	7	**-**	**20**	**20**	-
Expenditure on charitable activities:					
Grants to Infirm Clergy - Individuals		**-**	**112,000**	**112,000**	110,600
Other charitable activities		**-**	**19**	**19**	770
Support costs	6	**-**	**2,659**	**2,659**	4,040
Total expenditure		**-**	**114,698**	**114,698**	115,410
Net income/(expenditure) before gains/losses on investments		**1,867**	**45,909**	**47,776**	37,870
Net gains/(losses) on investments	3	**903,893**	**-**	**903,893**	(310,395)
Net income/(expenditure)		**905,760**	**45,909**	**951,669**	(272,525)
Reconciliation of funds:					
Total funds brought forward		**3,894,107**	**317,562**	**4,211,669**	4,484,194
Total funds carried forward		**4,799,867**	**363,471**	**5,163,338**	4,211,669

THE LANCASHIRE INFIRM SECULAR CLERGY FUND

BALANCE SHEET

AS AT 5 APRIL 2021

	Note	Total funds 2021 £	Total funds 2020 £
Investments	3	**5,044,418**	4,002,717
Current assets			
Cash at bank and in hand	4	**121,560**	211,467
		121,560	211,467
Creditors: Amounts falling due within one year	5	**(2,640)**	(2,515)
Net current assets		**118,920**	208,952
Total assets less current liabilities		**5,163,338**	4,211,669
Funds			
Restricted – capital account	9	**4,799,867**	3,894,107
Unrestricted – Income accumulated fund	9	**363,471**	317,562
Total funds		**5,163,338**	4,211,669

These financial statements were approved by the Trustees on 20/01/2022 and signed on their behalf:

……………………………………………..
Rev A Prescott – President

Simon D. Hawksworth
……………………………………………..
Rev S D Hawksworth – Treasurer

1 Accounting policies

Accounting convention

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) published October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The Lancashire Infirm Secular Clergy Fund meets the definition of a public benefit entity under FRS 102.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the 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) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Preparation of the accounts on a going concern basis

The trustees assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts. The Trustees have considered the impact of the Government response to Covid 19 on the activity of the charity. The Charity has sufficient reserves to mitigate the impact of potential reductions in investment income. Investment reports are received during the year and performance will be reviewed. The Trustees have concluded that the charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the charity's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the accounts.

Investments

Investments are stated at mid-market value.

Investment income

Investment income is included in the Statement of Financial Activities on an accruals basis and is shown gross of recoverable tax.

Expenditure

Expenditure is included on an accruals basis. Grants are recognised in the year in which they are receivable.

Income accumulated fund (unrestricted fund)

The rules of the Fund state that annual income, not including benefactions, shall be applied to defray administration expenses and to pay infirmity allowances. The surplus income, if any, shall be added to the Income Accumulated Fund.

Capital account (restricted fund)

The rules of the Fund state that benefactions and profits arising from the realisation of investments shall be added to the capital account. Losses on the realisation of investments shall be made good out of the capital account.

1 Accounting policies (Continued)

Critical accounting estimates and areas of judgement

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions
There are no critical accounting estimates and assumptions.

Critical areas of judgement
There are no other critical areas of judgement in these accounts.

2a. Donations and legacies

	2021 £	2020 £
Bequests	**10,000**	1,450
Donations	**500**	770
Decems	**-**	80
	10,500	2,300

Income from donations and legacies for both the year ended 5 April 2021 and 5 April 2020 related to unrestricted funds.

2b Investment income

	2021 Total £	2020 Total £
Unit Trusts	**149,912**	148,694
Bank deposit interest	**195**	1,141
	150,107	149,835

Investment income in the years ended 5 April 2021 and 5 April 2020 related to unrestricted funds.

3 Investments

	2021 Total £	2020 Total £
Market value at 5 April 2020	**4,002,717**	4,313,112
Additions/(Disposals)	**137,808**	-
Net investment gains/(losses)	**903,893**	(310,395)
Market value at 5 April 2021	**5,044,418**	4,002,717
Historical cost at 5 April 2020	**4,137,800**	4,137,800
Additions/(Disposals)	**137,808**	-
Historical cost at 5 April 2021	**4,275,608**	4,137,800

The market value of investments is analysed as follows:

	2021	2020
Unit Trusts	**5,044,419**	4,002,717
Total market value of investments	**5,044,419**	4,002,717

All investments at the year end are held in unit trusts.

4 Cash

	2021 Total £	2020 Total £
Cash at bank and in hand	**4,605**	13,659
Cash held within investment portfolio	**116,955**	197,808
	121,560	211,467

5 Creditors: amounts falling due within one year

	2021 Total £	2020 Total £
Accruals	**2,640**	2,515

6 Support costs

	2021 Total £	2020 Total £
Treasurer's expenses	**-**	335
Secretary's expenses	**-**	500
Independent examination	**2,555**	2,496
Postage, printing and stationery	**104**	40
Officers' meetings and AGM	**-**	669
	2,659	4,040

The Trustees received no remuneration (2020 - £nil) and were not reimbursed for any of their expenses in the year (2020 - £nil) except as set out above.

Support costs in the year ended 5 April 2021 and 5 April 2020 related to unrestricted funds.

The charity had no employees during the year.

7 Investment management costs

Investment management costs for the current year amount to a net rebate of £1,867 (2020: £1,141). Investment management costs/rebates are built into the underlying unit prices.

8 Related Party Transactions

There were no related party transactions during the year.

9 Movements in charity funds

	Capital account 2021 £	Income accumulated fund 2021 £	Total funds 2021 £	Total funds 2020 £
At 5 April 2019	4,203,357	280,837	4,484,194	4,291,239
Net incoming/(outgoing) resources	1,145	36,725	37,870	33,985
Other recognised gains and losses	(310,395)	-	(310,395)	158,970
Net movement of funds available for future activities	(309,250)	36,725	(272,525)	192,955
At 5 April 2020	3,894,107	317,562	4,211,669	4,484,194
Net incoming/(outgoing) resources	**1,867**	**45,909**	**47,776**	37,870
Other recognised gains and losses	**903,893**	**-**	**-**	(310,395)
Net movement of funds available for future activities	**905,760**	**45,909**	**951,669**	(272,525)
At 5 April 2021	**4,799,867**	**363,471**	**5,163,338**	4,211,669

10 Analysis of net assets between funds

	Capital account £	Income accumulated fund £	Total funds £
Investments	**4,799,867**	**244,551**	**5,044,418**
Net current assets/(liabilities)	**-**	**118,920**	**118,920**
Net assets 5 April 2021	**4,799,867**	**363,471**	**5,163,338**

	Capital account £	Income accumulated fund £	Total funds £
Prior year			
Investments	3,894,107	108,610	4,002,717
Net current assets/(liabilities)	-	208,952	208,952
Net assets 5 April 2020	3,894,107	317,562	4,211,669