

The Lancashire Infirm Secular Clergy Fund

Trustees' Report and Financial Statements

**For The Year Ended
5 April 2025**

THE LANCASHIRE INFIRM SECULAR CLERGY FUND

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THE LANCASHIRE INFIRM SECULAR CLERGY FUND

REFERENCE AND ADMINISTRATIVE INFORMATION

Trustees

Rev S Stamp
Rev P Stanley
Rev A Prescott

Officers

Rev S Stamp	- President
Rev P G Stanley	- Secretary
Vacancy	- 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.

THE LANCASHIRE INFIRM SECULAR CLERGY FUND

TRUSTEES' REPORT

FOR THE YEAR ENDED 5 APRIL 2025

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	3.6%
	ICE BofAML UK Gilts	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.

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FOR THE YEAR ENDED 5 APRIL 2025

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



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Rev P Stanley – Trustee

THE LANCASHIRE INFIRM SECULAR CLERGY FUND

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').

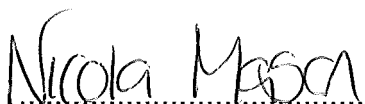
I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

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.



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

THE LANCASHIRE INFIRM SECULAR CLERGY FUND

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:



 Rev S Stamp – President

THE LANCASHIRE INFIRM SECULAR CLERGY FUND

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 5 APRIL 2025

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.

THE LANCASHIRE INFIRM SECULAR CLERGY FUND

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 5 APRIL 2025

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
	<u>5,000</u>	<u>1,740</u>

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
	<u>156,335</u>	<u>156,522</u>

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

THE LANCASHIRE INFIRM SECULAR CLERGY FUND
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 5 APRIL 2025

3 Investments

	2025 £	2024 £
Market value at 5 April 2023	5,068,341	4,754,507
Additions/(Disposals)	-	17,809
Net investment gains/(losses)	<u>(110,304)</u>	<u>296,025</u>
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)	<u>(52,624)</u>	<u>-</u>
Historical cost at 5 April 2024	<u>4,232,521</u>	<u>4,285,145</u>
The market value of investments is analysed as follows:		
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	<u>300,823</u>	<u>267,249</u>
	313,340	279,614

5 Creditors: amounts falling due within one year

	2025 £	2024 £
Accruals	<u>4,750</u>	<u>4,302</u>

THE LANCASHIRE INFIRM SECULAR CLERGY FUND

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 5 APRIL 2025

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.

THE LANCASHIRE INFIRM SECULAR CLERGY FUND

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 5 APRIL 2025

9 Movements in charity funds

	Capital account	Income accumulated fund	Total funds	Total funds
	2025 £	2025 £	2025 £	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