

**Charity Registration No. 225455**

**Company Registration No. 00086844 (England and Wales)**

**THE SPIRITUALIST ASSOCIATION OF GREAT BRITAIN**

**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2021**

**THE SPIRITUALIST ASSOCIATION OF GREAT BRITAIN  
(A COMPANY LIMITED BY GUARANTEE)  
LEGAL AND ADMINISTRATIVE INFORMATION**

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<b>Trustees</b>	Mr C Hutchinson Mrs H Smith Mr K Duncan-Morris Ms T Czerniawski Mr T Tasker
<b>Charity number</b>	225455
<b>Company number</b>	00086844
<b>Principal address</b>	341 Queenstown Road Battersea London SW8 4LH
<b>Registered office</b>	341 Queenstown Road Battersea London SW8 4LH
<b>Auditors</b>	MCT Partnership LLP Chartered Accountants Statutory Auditors 1 Warner House Harrobian Business Village Bessborough Road Harrow Middlesex HA1 3EX
<b>Bankers</b>	The Royal Bank of Scotland London Belgravia Branch 24 Grosvenor Place London SW1X 7HP

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# **THE SPIRITUALIST ASSOCIATION OF GREAT BRITAIN**

## **(A COMPANY LIMITED BY GUARANTEE)**

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**THE SPIRITUALIST ASSOCIATION OF GREAT BRITAIN  
(A COMPANY LIMITED BY GUARANTEE)  
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)  
FOR THE YEAR ENDED 31 MARCH 2021**

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The trustees are pleased to present their report together with the financial statements of the charity for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

**Objectives and activities**

The object of the charity is the promotion and advancement of spiritualism.

To achieve this The Spiritualist Association of Great Britain:

- Offers evidence, through mediumship, of the continuation of the personality after physical death and relieves suffering through spiritual healing. Provides religious and healing services to the general public.
- Investigates physical, spiritual and mediumistic phenomena including regression, second sight, trance healing, and all matters of a kindred nature, and uses the knowledge gained accordingly.
- Helps students and enquirers in their studies and research into spiritual doctrines and all or any of the matters already mentioned.
- Produces a magazine, which contains information with respect to all or any of the matters already mentioned.
- Associates with other voluntary organisations in a common effort to promote spiritualism.

The Association was established in 1872 and due to celebrate its 150th anniversary in July 2022. It is a time to reflect on our beginning and a chance to reaffirm the objectives of the Association, and to remember the heritage and the people who founded the Association.

We are currently open 7 days a week offering individual consolation, group and audience participation. Our Spiritual Healing Clinic is open every day, with 8 or 9 clinics running each week. We offer two-year Training Programmes, providing self-development in all areas of mediumship and a greater understanding of our philosophy and knowledge of spirituality. We provide evidence of survival after death through our experienced mediums in private one-to-one sittings and daily public demonstrations.

Our non-denominational Divine Service every Sunday is open to all.

We offer a growing training and educational programme for further development to everyone through classes and independent practical open circles.

We will be starting many new activities in the run up to our 150th Anniversary in 2022, which will include specialist exhibitions, lectures and publishing. Our members will be encouraged to take part in many of these activities. Creating a social history from the memories of members that have supported us over many decades will be one of many objectives.

The growing interest in the Worthing weekend seminar has proved such a popular event that we intend to make this an annual event.

**Public benefit**

The principal activities of the charity during the year continued to promote spiritual, religious and healing services to its members and general public. The trustees are aware of the Charity Commission guidance on public benefit reporting as set out in Section 4 Charities Act 2011. The trustees believe that the charity achieves a public benefit by providing these services as detailed in the Objectives and activities section of this report.

**THE SPIRITUALIST ASSOCIATION OF GREAT BRITAIN  
(A COMPANY LIMITED BY GUARANTEE)  
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

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**Achievements and performance**

The charity has continued to provide its wide range of spiritual, religious philosophy and healing services to its members and the general public. It welcomes all creeds and religions.

The range of services includes the propagation of spiritual philosophy, private sittings, which are face-to-face, by telephone or Zoom, public demonstrations of clairvoyance, psychic art demonstrations, psychometry demonstrations, day classes, workshops, mediation, spiritual counselling, non-denominational divine Sunday service, bereavement support circles and spiritual healing. Many of these services are now available by Zoom. Only a donation is asked for the divine service and spiritual healing. There is no charge for the bereavement support circle.

The charity's website ([www.sagb.org.uk](http://www.sagb.org.uk)) continues to enable it to reach a wider spectrum of people across the country and internationally. It is a very important tool in publicising the charity, its mediums and its day-to-day activities.

The charity plans to continue its activities as outlined above in the forthcoming years. This will include finding ways to ensure that it is always accessible to those wanting to use the charity's services and making certain that it provides these services in an efficient way. The Trustees are always mindful of the need to maintain the reputation of the charity through the spiritual services that it provides.

**Investment policy**

At 31 March 2021, the market value of the investment portfolio was £5,105,205 (2020: £5,105,205). The portfolio has been managed on behalf of the trustees by Cocoon Wealth LLP. The performance of Cocoon Wealth LLP is regularly monitored by the trustees, since Cocoon Wealth LLP started managing our investment they have achieved the required rate of return determined by the board of trustees. The board has taken independent advice in respect of the investment.

**Financial review and risk assessment**

The trustees actively review the major risks facing the charity throughout the year. Procedures have been established for identifying significant risks and developing and implementing strategies to mitigate such risks.

Since moving to Battersea we have now had the chance to look at the demographic and thus obtain a greater understanding of our local community. We are endeavouring to introduce tutors that will reflect on our local needs as well as continuing to offer bereavement support, meditation and healing clinics.

We are also including new projects and offering support from accredited counsellors and support groups for people dealing with illnesses. We are currently attracting a wider audience of both young and mature people as well as a wider cultural community. We take on board the needs of our members and encourage their input so that the Association meets the demands of all who use us.

Reserves as at 31 March 2021 amounted to £8,202,178 (2020: £8,313,049) of which £7,009,123 (2020: £7,009,123) were designated for future investment opportunities. The unrestricted reserves amounted to £1,193,055 (2020: £1,303,926). The trustees believe that these funds will be sufficient in meeting the charity's future needs and also believe that this level of reserves is necessary to cover any liabilities or contingencies which may arise in the future.

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

**THE SPIRITUALIST ASSOCIATION OF GREAT BRITAIN  
(A COMPANY LIMITED BY GUARANTEE)  
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

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**Structure, governance and management**

The charity is a company limited by guarantee.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr C Hutchinson  
Mrs H Smith  
Mr K Duncan-Morris  
Ms T Czerniawski  
Mr T Tasker

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute 25 pence in the event of a winding up.

A Board of Trustees of no less than 3, who meet regularly throughout the year, administers the charity.

Under the Memorandum and Articles of Association, the trustees have statutory powers of investment.

**Auditor**

In accordance with the company's articles, a resolution proposing that MCT Partnership LLP be reappointed as auditor of the company will be put at a General Meeting.

**Disclosure of information to auditor**

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.



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**Mr C Hutchinson**  
Trustee

Dated: ..31/03/2022.....

**THE SPIRITUALIST ASSOCIATION OF GREAT BRITAIN  
(A COMPANY LIMITED BY GUARANTEE)  
STATEMENT OF TRUSTEES' RESPONSIBILITIES  
FOR THE YEAR ENDED 31 MARCH 2021**

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The trustees, who are also the directors of The Spiritualist Association Of Great Britain for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**THE SPIRITUALIST ASSOCIATION OF GREAT BRITAIN  
(A COMPANY LIMITED BY GUARANTEE)  
INDEPENDENT AUDITOR'S REPORT**

**TO THE TRUSTEES OF THE SPIRITUALIST ASSOCIATION OF GREAT BRITAIN**

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**Opinion**

We have audited the financial statements of The Spiritualist Association Of Great Britain (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 28 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

**Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



**THE SPIRITUALIST ASSOCIATION OF GREAT BRITAIN  
(A COMPANY LIMITED BY GUARANTEE)  
INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

**TO THE TRUSTEES OF THE SPIRITUALIST ASSOCIATION OF GREAT BRITAIN**

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**Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

**THE SPIRITUALIST ASSOCIATION OF GREAT BRITAIN  
(A COMPANY LIMITED BY GUARANTEE)  
INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

**TO THE TRUSTEES OF THE SPIRITUALIST ASSOCIATION OF GREAT BRITAIN**

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**Extent to which the audit was considered capable of detecting irregularities, including fraud**

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, is detailed below.

- We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations applicable to the company through discussions with directors and management;
- We focused on specific laws and regulations which we consider to have a material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation, data protection, anti-bribery, money laundering, employment and health and safety legislation;
- We obtained an understanding of how the company complies with these requirements by discussions with directors and management;
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, through discussions with directors and management;

Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations, these are detailed below.

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business;
- Use of analytical procedures to identify any unusual or unexpected relationships.

There are inherent limitations in our audit procedures described above. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**THE SPIRITUALIST ASSOCIATION OF GREAT BRITAIN  
(A COMPANY LIMITED BY GUARANTEE)  
INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

**TO THE TRUSTEES OF THE SPIRITUALIST ASSOCIATION OF GREAT BRITAIN**

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**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Rachel Robinson FCA (Senior Statutory Auditor)  
for and on behalf of MCT Partnership LLP**

31 March 2022

**Chartered Accountants  
Statutory Auditor**

1 Warner House  
Harrobian Business Village  
Bessborough Road  
Harrow Middlesex  
HA1 3EX

**THE SPIRITUALIST ASSOCIATION OF GREAT BRITAIN**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**INCLUDING INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	Unrestricted funds general £	Unrestricted funds designated £	Total 2021 £	Total 2020 £
<b><u>Income and endowments from:</u></b>					
Donations, legacies and grants	3	122,264	-	122,264	174,470
Charitable activities	4	27,901	-	27,901	102,615
Investments	5	2,981	-	2,981	404,063
Other income	6	38	-	38	72
<b>Total income and endowments</b>		<b>153,184</b>	<b>-</b>	<b>153,184</b>	<b>681,220</b>
<b><u>Expenditure on:</u></b>					
Raising funds	7	19,584	-	19,584	110,574
<b><u>Charitable activities</u></b>					
Core activities	8	244,621	-	244,621	360,286
<b>Total charitable expenditure</b>		<b>244,621</b>	<b>-</b>	<b>244,621</b>	<b>360,286</b>
Other costs	12	-	-	-	20
<b>Total resources expended</b>		<b>264,205</b>	<b>-</b>	<b>264,205</b>	<b>470,880</b>
Net movement on revaluing investments at fair value	13	(150)	-	(150)	1,080
<b>Net movement in funds</b>		<b>(110,871)</b>	<b>-</b>	<b>(110,871)</b>	<b>209,260</b>
Fund balances at 1 April 2020		1,303,926	7,009,123	8,313,049	8,103,789
<b>Fund balances at 31 March 2021</b>		<b>1,193,055</b>	<b>7,009,123</b>	<b>8,202,178</b>	<b>8,313,049</b>

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

**THE SPIRITUALIST ASSOCIATION OF GREAT BRITAIN  
(A COMPANY LIMITED BY GUARANTEE)  
BALANCE SHEET**

**AS AT 31 MARCH 2021**

	Notes	£	2021 £	£	2020 £
<b>Fixed assets</b>					
Tangible assets	15		2,606,241		2,648,547
Investments	16		2,389		2,239
			<u>2,608,630</u>		<u>2,650,786</u>
<b>Current assets</b>					
Stock	17	1,558		1,558	
Debtors	18	11,553		8,001	
Investments	19	5,105,205		5,105,205	
Cash at bank and in hand		524,027		594,081	
		<u>5,642,343</u>		<u>5,708,845</u>	
<b>Creditors: amounts falling due within one year</b>	20	(48,795)		(46,582)	
<b>Net current assets</b>			<u>5,593,548</u>		<u>5,662,263</u>
<b>Total assets less current liabilities</b>			<u>8,202,178</u>		<u>8,313,049</u>
<b>Income funds</b>					
Unrestricted funds - designated	21		7,009,123		7,009,123
Unrestricted funds - general			1,193,055		1,303,926
			<u>8,202,178</u>		<u>8,313,049</u>

The accounts were approved by the Trustees on ..31/03/2022.....



**Mr C Hutchinson**  
Trustee

**Company Registration No. 00086844**

**THE SPIRITUALIST ASSOCIATION OF GREAT BRITAIN**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	£	2021 £	£	2020 £
<b>Cash flows from operating activities</b>					
Cash absorbed by operations	27	(73,035)		(129,073)	
Corporation tax paid		-		(634,101)	
<b>Net cash outflow from operating activities</b>			(73,035)		(763,174)
<b>Investing activities</b>					
Purchase of tangible fixed assets		-		(1,005)	
Investment income received		2,981		407,338	
<b>Net cash generated from investing activities</b>			2,981		406,333
<b>Net cash used in financing activities</b>			-		-
<b>Net decrease in cash and cash equivalents</b>			(70,054)		(356,841)
Cash and cash equivalents at beginning of year			594,081		950,922
<b>Cash and cash equivalents at end of year</b>			524,027		594,081

**THE SPIRITUALIST ASSOCIATION OF GREAT BRITAIN  
(A COMPANY LIMITED BY GUARANTEE)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

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**1 Accounting policies**

**Company information**

The Spiritualist Association Of Great Britain is a private company limited by guarantee incorporated in England and Wales. The registered office is 341 Queenstown Road, Battersea, London, SW8 4LH.

**1.1 Accounting convention**

The financial statements have been prepared in accordance with the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared on the historical cost convention, modified to include the revaluation of certain financial instruments at fair value. The principal accounting policies adopted are set out below.

**1.2 Going concern**

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

**1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Unrestricted funds classified as designated represent funds which have been set aside at the discretion of the trustees for future investment.

**1.4 Incoming resources**

Income comprises of membership subscriptions, donations, legacies and other income arising from the charity's activities. Income from trading activities is stated net of VAT. All income is recognised when amounts can be measured reliably and it is probable that the income will be received.

**1.5 Resources expended**

The costs of generating funds is all expenditure incurred on raising funds to finance charitable activities.

Charitable expenditure comprises of all the expenditure incurred in meeting the charitable objects, including cost of management, administration and compliance with constitutional and statutory requirements.

All expenditure is recognised in the period in which it is incurred.

**THE SPIRITUALIST ASSOCIATION OF GREAT BRITAIN**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**1 Accounting policies**

**(Continued)**

**1.6 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold property	Straight line over 75 years
Fixtures, fittings and equipment	10% straight line
Computer equipment	20% straight line

**1.7 Stock**

Stock is stated at the lower of cost and net realisable value.

Net realisable value is the estimated selling price less all estimated costs of completion.

**1.8 Financial instruments**

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

**Basic financial liabilities**

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.



**THE SPIRITUALIST ASSOCIATION OF GREAT BRITAIN**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**2 Critical accounting estimates and judgements**

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**Useful life of freehold property**

The useful life of freehold property is determined by the trustees and reflect the charity's history of generating income from charitable activities.

**3 Donations, legacies and grants**

	2021 £	2020 £
Donations and gifts	774	7,905
Legacies receivable	82,705	166,565
Coronavirus Job Retention Scheme grants	38,785	-
	<u>122,264</u>	<u>174,470</u>

**4 Charitable activities**

	Activities including workshops and demonstrations £	Commercial and fundraising £	Private sittings with mediums £	Total £	Total 2020 £
Incoming resources within charitable activities	<u>15,899</u>	<u>-</u>	<u>12,002</u>	<u>27,901</u>	<u>102,615</u>

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**5 Investments**

	Unrestricted funds general	Unrestricted funds designated	Total 2021	Total 2020
	£	£	£	£
Income from listed investments	80	-	80	177
Interest receivable	2,901	-	2,901	403,886
	<u>2,981</u>	<u>-</u>	<u>2,981</u>	<u>404,063</u>

**6 Other income**

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Royalties	<u>38</u>	<u>72</u>

**7 Raising funds**

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
<u>Fundraising and publicity costs</u>		
Staging fundraising events	717	19,816
<u>Direct expenses</u>		
Mediums' fees and other related costs	18,867	90,758
	<u>19,584</u>	<u>110,574</u>

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**8 Charitable activities**

	2021	2020
	£	£
Staff costs	102,102	112,445
Depreciation and impairment	42,306	42,227
Donations paid to other charities	400	45
Rates	4,322	6,274
Insurance	5,194	4,878
Repairs and maintenance	5,675	47,613
Postage and stationery	1,433	1,026
Telephone	3,081	2,666
Computer and website expenses	2,915	3,270
Sundry expenses	97	206
Bank charges	3,007	3,237
Corporation tax and interest	-	38,017
	<u>170,532</u>	<u>261,904</u>
Share of governance costs (see note 9)	74,089	98,382
	<u>244,621</u>	<u>360,286</u>

**9 Support costs**

	Support costs	Governance costs	2021	2020	Basis of allocation
	£	£	£	£	
Audit fees	-	13,500	13,500	13,500	Governance
Legal and professional	-	60,589	60,589	84,882	Governance
	<u>-</u>	<u>74,089</u>	<u>74,089</u>	<u>98,382</u>	
Analysed between					
Charitable activities	-	74,089	74,089	98,382	

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**10 Trustees**

There were no out of pocket expenses reimbursed to the trustees during this and last year.

Remuneration amounting to £34,719 (2020: £39,085) was paid under an employment contract to Mr K Duncan-Morris, who is a trustee and a member of key management personnel.

Payments amounting to £6,336 (2020: £2,666) in the ordinary course of business were made to Mr T Tasker, who is a trustee.

**11 Employees**

**Number of employees**

The average monthly number of employees during the year was:

	<b>2021</b>	<b>2020</b>
	<b>Number</b>	<b>Number</b>
Administration and Management	4	4
	<u>          </u>	<u>          </u>

**Employment costs**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Wages and salaries	100,329	111,522
Other pension costs	1,773	923
	<u>          </u>	<u>          </u>
	102,102	112,445
	<u>          </u>	<u>          </u>

The above employment costs include £8,659 (2020: £9,702) of employer's National Insurance contributions.

There were no employees whose annual remuneration was £60,000 or more.

**12 Other costs**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Interest on overdue tax	-	20
	<u>          </u>	<u>          </u>

**13 Net movement on valuing investments at fair value**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Revaluation of investments	(150)	1,080
	<u>          </u>	<u>          </u>

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**14 Taxation**

The charitable company is exempt from corporation tax on its charitable activities.

**15 Tangible fixed assets**

	Freehold property	Library	Fixtures, fittings and equipment	Computer equipment	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 April 2020	2,661,384	2,505	59,987	4,104	2,727,980
At 31 March 2021	2,661,384	2,505	59,987	4,104	2,727,980
<b>Depreciation and impairment</b>					
At 1 April 2020	62,085	2,505	13,777	1,066	79,433
Depreciation charged in the year	35,486	-	5,999	821	42,306
At 31 March 2021	97,571	2,505	19,776	1,887	121,739
<b>Carrying amount</b>					
At 31 March 2021	2,563,813	-	40,211	2,217	2,606,241
At 31 March 2020	2,599,299	-	46,210	3,038	2,648,547

**16 Fixed asset investments**

	Listed investments £
<b>Cost or valuation</b>	
At 1 April 2020	2,239
Valuation changes	150
At 31 March 2021	2,389
<b>Carrying amount</b>	
At 31 March 2021	2,389
At 31 March 2020	2,239

<b>17 Stock</b>	<b>2021</b> <b>£</b>	<b>2020</b> <b>£</b>
Goods for resale	1,558	1,558

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<b>18 Debtors</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Prepayments and accrued income	11,553	8,001
	<u>          </u>	<u>          </u>
<b>19 Current asset investments</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Unlisted investment	5,105,205	5,105,205
	<u>          </u>	<u>          </u>
<b>20 Creditors: amounts falling due within one year</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Other taxation and social security	6,423	3,707
Trade creditors	11,399	27,407
Other creditors	-	1,281
Accruals	30,973	14,187
	<u>          </u>	<u>          </u>
	48,795	46,582
	<u>          </u>	<u>          </u>

**21 Designated funds**

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees:

	<b>Balance at 1 April 2020</b>	<b>Movement in funds</b>		<b>Balance at 31 March 2021</b>
	<b>£</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>£</b>
		<b>£</b>	<b>£</b>	
Future investment	7,009,123	-	-	7,009,123
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

**22 Analysis of net assets between funds**

	<b>Unrestricted funds</b>	<b>Designated funds</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Fund balances at 31 March 2021 are represented by:			
Tangible assets	2,606,241	-	2,606,241
Investments	2,239	-	2,239
Current assets/(liabilities)	(1,415,575)	7,009,123	5,593,548
	<u>          </u>	<u>          </u>	<u>          </u>
	1,192,905	7,009,123	8,202,028
	<u>          </u>	<u>          </u>	<u>          </u>

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**23 Operating lease commitments**

At the year end the company had outstanding commitments for lease payments amounting to £6,801 (2020: £10,341) for operating leases.

**24 Control**

The company is limited by guarantee, not having a share capital divided into shares.

In the event of the company being wound up, every member undertakes to contribute a sum not exceeding 25 pence.

The number of members at 31 March 2021 were as follows:

	2021 Number	2020 Number
Life Members	275	275
Other members	110	120
	<u>385</u>	<u>395</u>

**25 Events after the reporting date**

On 6 March 2020 the charity was informed by Cocoon Wealth LLP that the company intended to default on its repayments in connection with the current asset investment at the balance sheet date of £5,105,205.

The charity has taken legal advice and appointed a firm of insolvency practitioners, who were appointed as administrators on 7 April 2020, to undertake negotiations on their behalf and these are ongoing. The administrators have, in turn, instructed solicitors who are issuing proceedings as no satisfactory offer has been received from Cocoon Wealth LLP.

The Trustees are of the opinion that no impairment of the investment should be recognised in the financial statements as the outcome is currently unknown and an amount cannot be quantified.

In common with similar organisations, the charity has been affected by the Covid 19 pandemic.

Lockdowns and high levels of Covid infections meant that the charity did not open for in person events until September 2021. However, the range of online events have proved popular and will continue to be offered.

**26 Related party transactions**

**Remuneration of key management personnel**

The remuneration of key management personnel is as follows.

	2021 £	2020 £
Aggregate remuneration	<u>34,719</u>	<u>39,085</u>

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<b>27 Cash generated from operations</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
(Deficit)/surplus for the year	(110,871)	209,260
Adjustments for:		
Investment income recognised in statement of financial activities	(2,981)	(404,063)
Taxation charge	-	38,017
Fair value (gain)/loss on investments	(150)	1,080
Depreciation and impairment of tangible fixed assets	42,306	42,227
Movements in working capital:		
Increase in stock	-	(155)
(Increase)/decrease in debtors	(3,552)	29,312
Increase/(decrease) in creditors	2,213	(44,751)
<b>Cash absorbed by operations</b>	<b>(73,035)</b>	<b>(129,073)</b>

**28 Auditors' Ethical Standards**

In common with many charities of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.