

REGISTERED CHARITY NUMBER 232674

**The Countess Of Huntingdon's Connexion
Annual Report and Financial Statements
For The Year Ended 30 June 2023**

THE COUNTESS OF HUNTINGDON'S CONNEXION
TRUSTEES REPORT FOR THE YEAR ENDING 30TH JUNE 2023

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees:	Mr G. A Squibbs Rev. B. Quant Mr D. Lockett Rev. S. Allaby Rev, B, Burrage Mrs E. Gregory (From October 2023)
Charity Number:	232674
Treasurer:	Mr G. A Squibbs
Principal Address:	15 Springfield Road, Middleton, Manchester M24 5DL
Auditor:	KM Chartered Accountants, 1st Floor, Block C, The Wharf, Manchester Road, Burnley BB11 1JG
Secretary to the Trustees:	Mr D. Lockett

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TRUSTEES REPORT FOR THE YEAR ENDING 30TH JUNE 2023

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TRUSTEES REPORT FOR THE YEAR ENDING 30TH JUNE 2023

The Trustees present their annual report and financial statements for the year ended 30 June 2023.

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 Scheme, 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)" (effective from 1 January 2019).

Objectives and activities

The Connexion's objects are to maintain the Christian doctrine in accordance with the 15 Articles of Faith (as set out in the Scheme) and to administer the Connexion in conformity with the provisions of the Scheme. The policies adopted in furtherance of these objects are as set out in the scheme.

The Trustees are aware of the Charity Commission's guidance on public benefit in "The Advancement of Religion for the Public Benefit" and has regard to it in the administration of the Connexion and individual churches.

The Trustees believe that, the Connexion provides benefit to the public by:

- Providing resources and facilities for public worship, pastoral care and spiritual, moral and intellectual development, both for the congregation and for anyone else who wishes to benefit from what the Connexion offers;
- Promoting Christian values and service by members of the congregation to the community, for the benefit of individuals and society as a whole, both in England and Sierra Leone.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

The number of churches operating in the UK on 1 July 2022 was 22. We are sad to report that the New Connexions Free Church in Ely closed in January 2023, and at 30 June 2023 the number of churches was 21, of which 11 were separately registered charities at the year end.

The Trustees have a policy to encourage member churches to become separately registered charities, and in accordance with this policy The Countess Free Church, Ely became a separately registered CIO in May 2016, Bells Yew Green Chapel became a separately registered charitable incorporated organisation (CIO) in July 2016, Rosedale Community Church became a separate CIO in October 2016, St. Stephen's, Middleton church became a separate CIO in February 2017, Goring Free Church was separately registered in June 2017, New Connexions Free Church in April 2018, Tumers Hill Free Church in June 2018, Mortimer West End Chapel also in June 2018, South Street Free Church Eastbourne in June 2019, Sheppey Evangelical Church in June 2019, Slough Community Church in February 2020 and Wormley Free Church in June 2021. Bolney Free Church is currently going through the process of separate registration.

The premises at Rayleigh have been retained in the hope that they will be used in the Lord's work again in the future. At present we rent them to a Pre-School Group which ran as a charity until 25th April 2005, and has continued as Rascals Child Care Ltd.

There was no significant Capital work carried out during the year. The manse property at Cradley Church was sold during the year, with final completion in May 2023.

There were no changes in the Trustees of the Connexion during the year, although we are pleased to report that Mrs Elizabeth Gregory was elected as a Trustee at our Annual Conference in October 2023

The Trustees are still actively seeking suitable additions to our Trustee numbers.

The Trustees, ably assisted by the Ministry group again during the year, continued to exercise with care and attention their responsibilities as laid down in the scheme regarding the appointment of Ministers to Connexion churches.

There have been some changes to Ministry during the year. After a number of fruitful years of ministry at the Ely church, Rev Karl Relton felt led to take up a new challenge during the year. The Congregation and the Trustees

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TRUSTEES REPORT FOR THE YEAR ENDING 30TH JUNE 2023

are actively seeking a replacement. Joe Gregory retired from the Ministry at Sheppey Evangelical Church in August 2022 after many years of service, and Trevor Jones has been appointed to the role of pastor. Mr William McCann was appointed as a paid elder at Mortimer West End Chapel

The Trust has continued to support two initiatives during the year. Martin Brown was appointed to the part-time role of Outreach and Development worker at Hailsham Gospel Mission, an appointment that has shown numerical growth in church attendance and outreach into the community. Martin Brown's appointment has been extended with an increased number of hours. The Connexion continued to support the training scheme for future church leaders. The first internship at Rosedale Community Church and Bolney Free Church completed in July 2023 and it is hoped that a new internship will commence next Summer.

The Ministry group continued under the leadership of Rev. Ben Quant and Rev. Simon Allaby.

We are grateful that Dr Paul Woodbridge has continued to provide pastoral support to our ministers and wives on behalf of the Connexion.

We have continued to support Ministerial training in the UK and Sierra Leone through the funds received from The Cheshunt Foundation, with grants made to eight individuals in the UK and a number of grants in Sierra Leone.

The Annual Conference of the Connexion was held in October 2022 at High Leigh Conference Centre. This also serves as the AGM of the Connexion

Trustee meetings have been held mainly on-line during the year.

The numbers regularly worshipping in Connexional churches has remained fairly stable this year, with some fluctuations in individual church congregations. Most of the ministry of the Connexion takes place through the local congregations, which have continued to meet their objectives in bringing God's message to the people in the communities in which they are placed.

The Youth of the Connexion have met once in the year, at the annual Youth Conference held in October 2022 at the same time as the Connexion Annual Conference.

In Sierra Leone, our policy continues to be one of providing support to our sister connexion of churches in Sierra Leone. This is done through the provision of funds to assist in paying ministers and teachers, training, building and equipping schools and churches and other related projects, including support of a children's home.

In addition to the current Trustee roles of Chairman, Secretary and Treasurer, Trustees hold particular responsibilities.

Ministry and Education Rev B. Quant and Rev Simon Allaby

Funding and Resources Mr G. Squibbs

Safeguarding Rev B. Burrage

Communications Mr D. Lockett

The claim as noted in the 2022 report was settled with no financial liability for the Connexion.

Financial review

The ongoing use of the assets and capital from the original transfer of land and buildings is closely governed under clauses 17 and 27 of the Scheme for the purchase of assets for use by the Connexion in accordance with charitable objects and the capital improvements of the churches and manses. Owing to the ongoing restriction around the use of assets and associated liquid resources these are shown as a Permanent Endowment in the financial statements.

The Trustees have designated funds of £329,819 (2022 - £329,819) which represents funds that the Trustees have ring- fenced for future maintenance costs in excess of the amounts available in the Permanent Endowment or where permanent endowment funds cannot be used, and in support of future growth strategies of the Connexion.

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TRUSTEES REPORT FOR THE YEAR ENDING 30TH JUNE 2023

The Trustees are comfortable with the level of funds available for building repair and improvements due to the levels of ongoing maintenance which has been completed and the general state of repair of the land and buildings held within the Charity.

The accounts (after inter-fund transfers) show a surplus for the year on Unrestricted Funds of £11,547 (2022 - £8,236), a deficit on Restricted Funds of £57,654 (2022 - surplus of £51,504) and a surplus on Permanent Endowment funds of £99,479 (2022 - deficit of £2,387), resulting in a total net increase in reserves of £53,372 (2022 - £57,353). Free reserves amount to £87,886 (2022 - £76,339) as at the year end.

Reserves are kept in three areas, Central Funds, Church Funds and SLM Funds. Each of these have free reserves, although in the consolidated accounts both the church funds and the SLM funds are shown as restricted due to location.

Central Funds

It is the policy of the Connexion that there are sufficient liquid funds which, together with returns from investment properties, will generate sufficient income to cover approximately twelve months unrestricted expenditure. In addition an unrestricted fund balance will be maintained as a minimum of six months average non capital unrestricted expenditure which currently equates to £25,000. This level of reserves was exceeded during the year. The level of reserves is being kept at a high level due to the anticipated additional expenditure in the next two years in the reorganisation of the structure of the Connexion, in particular the setting up of individual church charities and implementing additional support to churches. Due to the nature of maintenance and other requests from churches, which tend to be reactive, additional funds will be kept in reserve if requests for grants are less than anticipated.

Churches and SLM (restricted funds)

Generally local congregations and SLM will keep free reserves at between three and six months unrestricted expenditure. In the case of local congregations, again due to the reactive nature of maintenance issues in older premises, higher levels of reserves may be justified in some instances.

Funds are invested for the purchase of churches and manses, and to provide income for the general running of the Connexion. All liquid funds of the Connexion churches and SLM are invested in either bank or building society deposits. Following a review of the investment strategy completed in October 2019, the Trustees have agreed to make limited Central Fund investments in traded securities. The Trustees are appraised of the financial position quarterly and any substantial investment is decided by them, with appropriate advice.

Risk and risk management

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 key risks identified by the Trustees are as follows:

Finance

The Trustees have policies in place for the administration of finances in all areas of the Connexion to reduce the risks of fraud. All liquid funds are deposited with UK financial establishments, with a limited amount deposited in relatively low risk approved traded securities. All funds are used for the purposes of the Trust and its missionary arm. The Trustees ensure that no commitment is entered into unless funds are available.

Property

The Trustees utilise external consultants to subject properties to periodic inspection by qualified professionals thus ensuring actions can be taken that they are properly maintained and comply with current legislation, with reports being issued to the local leadership (management) team. Properties are adequately insured and the insurable risks are assessed regularly.

Children and Vulnerable Adults

The Connexion has a recently updated centrally formulated policy to cover work with children and vulnerable adults in the UK churches. The churches implement the policy with local regulations according to the circumstances. A Trustee has the responsibility of keeping this area under regular review.

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TRUSTEES REPORT FOR THE YEAR ENDING 30TH JUNE 2023

Sierra Leone Mission

Payments made in respect of the work in Sierra Leone are as a result of either ongoing commitments or by request. Payments are approved at Committee Meetings generally. Money is held by our agents in Sierra Leone who are responsible for ensuring the money is used for the purposes sent. Money for larger projects will be sent as required in instalments. Some small specific gifts received may be passed on to Sierra Leone, without full Committee Approval, although payment sheets are circulated to the Treasurer, Assistant Treasurer and Chairman prior to the payments being made.

In terms of controls in Sierra Leone, all our payments in Sierra Leone are administered by our Agents. We also give an allowance to an individual who prepares the accounts in Sierra Leone and acts as a check on the Agents. Every two years we send at least one of the SLM committee to review the work carried out and provide support. A payment sheet is sent monthly to the agents. Payments are made at regular monthly intervals and in this way the amount of money held in Sierra Leone is limited. This is beneficial in two ways, as less money is at risk of going astray, and also there has been devaluation of the currency in recent years, and there is a risk of reduced spending power if too much money is held in Sierra Leone.

Plans for the Future

The Trustees aim to ensure that the Connexion continues to advance the Christian faith in accordance with the Connexion's articles of faith. This will be done through the continued support of the Connexional churches and their activities. Other projects and activities may be supported as the Trustees deem fit.

Following a review of the administration of the Connexion, the Trustees are actively pursuing the individual charity registration of the local church fellowships. Model governing documents have been prepared, and most of the local churches have agreed in principle to the changes. Up to the end of the year twelve churches have separately registered as CIOs.

Fundraising

Section 162A of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. The legislation defines fundraising as "soliciting or otherwise procuring money or other property for charitable purposes". Such amounts are presented in our financial statements within "Donations and legacies" which includes donations from individual supporters, non-performance grants and legacies.

In relation to the above, we confirm that all solicitations are managed internally, without the involvement of commercial participators, professional fundraisers or third parties. The day to day management of all income generated is delegated to the executive staff team who act under authority delegated by the Trustee.

We have received no complaints in relation to our fundraising activity for the year under review.

Structure, governance and management

The Connexion is governed by a Scheme of Chancery Division, High Court of Justice dated 1 January 1899 as amended by Orders of the Charity Commission.

The Trustees who served during the year and up to the date of signature of the financial statements were:

Mr G Squibbs, Rev B D Quant, Mr D Lockett, Rev S A K Allaby, Rev B Burrage and Mrs E. Gregory

New Trustees are appointed when the current Board deems it to be appropriate in accordance with the governing document. Individuals considered for trusteeship will generally have a link to the Connexion - i.e. a connection to one of the churches and must support the doctrinal basis upon which the Connexion is founded.

Training is available to new and existing Trustees if this is deemed necessary to aid them in completion of their duties.

The Connexion has an overseas mission, the Sierra Leone Mission which was set up to provide support for our sister church, The Countess of Huntingdon's Connexion in Sierra Leone.

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This support is carried out by:

- Support for the Countess of Huntingdon's Connexion in Sierra Leone
- Payment of Ministers and Teachers
- Provision and Repair of Church Buildings and Primary Schools
- Training of Ministers and Teachers
- Support for a Children's Home
- Provision and support for the running of a Medical Centre.

Historically outreach work in Sierra Leone has been supported by the Connexion since 1899.

There is also a subsidiary limited company The Incorporated Sierra Leone Missionary Association which was incorporated in 1906 for the purpose of holding property of the Mission. This company is now dormant and contains £Nil net assets and accordingly this has not been consolidated into these financial statements.

The Connexion is currently organised into three separate sections:

- Central Funds
- Churches
- Sierra Leone Mission

These three sections are engaged in two primary activities:

- Spreading the gospel in the UK
- Missionary work in Sierra Leone

For the members and Trustees, separate unaudited management accounts have been prepared for each Section, but these accounts consolidate the results as recommended by the Charities' SORP.

Although the Trustees maintain overall responsibility for the running of the Connexion, each of the churches operates with a high level of autonomy. Each church has a leadership team who will make decisions regarding the day to day running of the churches, with issues being raised to the Connexional Trustees as appropriate.

The Connexion does effectively act as custodian trustee for the Fordham Combined Charities. The Trustees of the Connexion are all trustees of Fordham and the Connexion maintains funds on behalf of the charity. These funds are eliminated during the accounts preparation and no other transactions with Fordham are reflected in the accounts.


Auditor

Following a review of audit services, the Trustees have decided to appoint KM Chartered Accountants of Burnley as the Connexion's auditors. We would like to record our thanks to Azets Audit Services Limited for the service they have provided to the Connexion over the years.

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.


Mr G Squibbs

Trustee

13th April 2024

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Statement of Trustees Responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements 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 of the charity for that year.

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

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

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

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TRUSTEES REPORT FOR THE YEAR ENDING 30TH JUNE 2023

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF THE COUNTESS OF HUNTINGDON'S CONNEXION**

Opinion

We have audited the financial statements of The Countess of Huntingdon's Connexion (the 'charity') for the year ended 30 June 2023 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 charity's affairs as at 30 June 2023 and of its income and expenditure, for the year then ended;

have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and

have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the 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 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or

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TRUSTEES REPORT FOR THE YEAR ENDING 30TH JUNE 2023

sufficient accounting records have not been kept; or

the financial statements are not in agreement with the accounting records; 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 are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, 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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias; and
- Performing audit work over the timing and recognition of revenue and in particular whether it has been recorded in the correct accounting period.

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Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

KM Chartered Accountants, Statutory Auditor
1st Floor, Block C
The Wharf
Manchester Road
Burnley
Lancashire
BB11 1JG

13th April 2024

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STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30 JUNE 2023

	Notes	Unrestricted Funds General	Unrestricted Funds Designated	Restricted Funds	Permanent Endowment	Total Jun 2023	Total Jun 2022
Income from:							
Donations and legacies	3	1,008	-	276,325	-	277,333	323,196
Other trading activities	4	17,560	-	16,525	-	34,085	28,829
Investments	5	56,821	-	1,174	-	57,995	51,915
Other income	6	-	-	-	130,798	130,798	44,000
Total Income and Endowments		<u>75,389</u>	-	<u>294,024</u>	<u>130,798</u>	<u>500,211</u>	<u>447,940</u>
Expenditure on:							
<u>Raising funds</u>							
Fundraising and publicity	7	8,260	-	2,362	-	10,622	9,975
Trading Costs	7	16,959	-	-	-	16,959	11,776
Total Raising Funds		<u>25,219</u>	-	<u>2,362</u>	-	<u>27,581</u>	<u>21,751</u>
<u>Charitable Activities</u>							
Spreading the Gospel in UK	8	27,301	-	233,135	17,818	278,254	206,447
Mission work in Sierra Leone	8	-	-	125,087	-	125,087	126,479
Total Charitable Activities		<u>27,301</u>	-	<u>358,222</u>	<u>17,818</u>	<u>403,341</u>	<u>332,926</u>
Total Expenditure		<u>52,520</u>	-	<u>360,584</u>	<u>17,818</u>	<u>430,922</u>	<u>354,677</u>
Net (losses)/gains on investments	13	-	<u>(2,416)</u>	-	<u>(13,501)</u>	<u>(15,917)</u>	<u>(35,910)</u>
Net income/ (expenditure) before transfers		<u>22,869</u>	<u>(2,416)</u>	<u>(66,560)</u>	<u>99,479</u>	<u>53,372</u>	<u>57,353</u>
Transfers between funds		(11,322)	2,416	8,906	-	-	-
Net Movement in Funds		<u>11,547</u>	-	<u>(57,654)</u>	<u>99,479</u>	<u>53,372</u>	<u>57,353</u>

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STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30 JUNE 2023 (CONTINUED)

Fund Balances at 1st July 2022	21,22,23	<u>76,339</u>	<u>329,819</u>	<u>305,537</u>	<u>4,907,762</u>	<u>5,619,457</u>	<u>5,562,104</u>
Fund Balances at 30th June 2023	21,22,23	<u>87,886</u>	<u>329,819</u>	<u>247,883</u>	<u>5,007,241</u>	<u>5,672,829</u>	<u>5,619,457</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

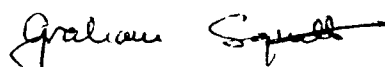
A fully detailed statement of financial activities for the year ended 30 June 2022 is shown at note 30. The notes on pages 15-32 comprise part of these financial statements.

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TRUSTEES REPORT FOR THE YEAR ENDING 30TH JUNE 2023

BALANCE SHEET AS AT 30 JUNE 2023

	Notes	2023		2022	
		£	£	£	£
Fixed Assets:					
Tangible Assets	15		3,912,928		4,001,036
Investment properties	16		175,000		175,000
Investments	17		797,209		813,126
			<u>4,885,137</u>		<u>4,989,162</u>
Current Assets:					
Debtors	18	39,416		28,580	
Cash at bank and on hand		<u>757,545</u>		<u>617,161</u>	
			<u>796,961</u>		<u>645,741</u>
Creditors: Accounts falling due within one year:	19	(9,269)		(15,446)	
Net Current Assets			<u>787,692</u>		<u>630,295</u>
Total assets less current liabilities			5,672,829		5,619,457
Funds:					
Permanent Endowments	21		5,007,241		4,907,762
Restricted funds	22		247,883		305,537
Unrestricted Funds- Designated	23		329,819		329,819
Unrestricted Funds - General			<u>87,886</u>		<u>76,339</u>
			<u>5,672,829</u>		<u>5,619,457</u>

The notes on pages 15-32 comprise part of these financial statements. The accounts were approved by the Trustees on 13th April 2024



Mr G. Squibbs

Trustee

THE COUNTESS OF HUNTINGDON'S CONNEXION
TRUSTEES REPORT FOR THE YEAR ENDING 30TH JUNE 2023

STATEMENT OF CASH FLOWS

	Notes	£	2023	£	£	2022	£
Cash Flows from operating activities:							
Cash generated from (absorbed by) operations	28			12,099			54,575
Investing Activities:							
(Purchase) / Disposal of tangible fixed Assets		70,290			(1,168)		
Purchase of investments		-			-		
Investment income received		57,995			51,915		
Net cash generated by (used in) investment activities				128,285			50,747
Net cash used in financing activities				-			-
Net increase/(decrease) in cash and cash equivalents				<u>140,384</u>			<u>105,322</u>
Cash and cash equivalents at beginning of year				617,161			511,839
Cash and cash equivalents at end of year				<u>757,545</u>			<u>617,161</u>

THE COUNTESS OF HUNTINGDON'S CONNEXION

TRUSTEES REPORT FOR THE YEAR ENDING 30TH JUNE 2023

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting policies

Charity information

The Countess of Huntingdon's Connexion is a charity registered with the Charity Commission in England and Wales with the Registration Number 232674.

1.1 Accounting convention

The financial statements have been prepared in accordance 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)" (effective from 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 £1.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and 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

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for a particular purpose. Where no on-going restriction remains and all original conditions and restrictions have been met in relation to the original grant or donation, funds are transferred to general funds.

The permanent endowment represents the initial transfer in of churches and manses which are held by the Connexion in connection with its charitable objects. In accordance with paragraph 17 and 27 of the original governing document these assets and the proceeds from the disposal of such assets may only be used for investment in land and buildings for the charitable purpose of the Connexion or for investment in existing land and buildings used in the work of the Connexion. The permanent endowment includes both the land and buildings in use by the Connexion, investment properties no longer utilised by the Connexion but still beneficially retained and a cash balance which relates to the net proceeds of historical disposals. Income from investment properties and from cash deposits is allocated to the unrestricted "Central" fund as there are no restrictions around the application of income generated in the governing document.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected.

THE COUNTESS OF HUNTINGDON'S CONNEXION

TRUSTEES REPORT FOR THE YEAR ENDING 30TH JUNE 2023

Grants are recognised at the point of legal entitlement in accordance with the performance model.

Rents from investment income are included when they are receivable by the charity.

Investment income relates to dividends received in respect of listed investments held. Income is recognised in the period in which the dividends accrue.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Each of the churches is given a detailed guide to how various expenses should be categorised in the individual church accounts which are then consolidated.

Costs of generating funds recognises the amounts paid out throughout the year to raise the profile of the Connexion (mainly in relation to the churches) and the activities which are undertaken. Also categorised as costs of generating funds are costs incurred to fund the annual conference.

Costs in relation to charitable activities will reflect a large proportion of costs incurred by the Connexion. These will relate to the costs of running the churches in the UK, as well as monies given to fund the work of the Connexional churches in Sierra Leone.

Support and governance costs reflect funds expended to ensure that the charity is fulfilling its obligations; these mainly relate to audit and accounting fees and Independent Examination costs. These costs have been allocated directly to charitable activities in their entirety.

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.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Church land and buildings Straight line over 50 years

Manse land and buildings Straight line over 50 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

The Trustees are of the opinion that the residual value of the land on which the majority of the Churches and Manses are built exceeds the carrying value of the original asset in the financial statements. No depreciation is therefore charged on these assets. However, three Manses purchased since 2005 are subject to depreciation. The Trustees believe that 40% of the cost of these properties should be attributed to land value with the remaining 60% being attributed to the cost of the buildings. The amount attributed to buildings is depreciated on a straight line basis over their estimated useful life which the Trustees believe to be 50 years.

1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

THE COUNTESS OF HUNTINGDON'S CONNEXION
TRUSTEES REPORT FOR THE YEAR ENDING 30TH JUNE 2023

1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.9 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 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.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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.

Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

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.

THE COUNTESS OF HUNTINGDON'S CONNEXION

TRUSTEES REPORT FOR THE YEAR ENDING 30TH JUNE 2023

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans 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.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense where settlement of obligations does not fall within the same period.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Related organisations not consolidated

The Connexion does act as custodian Trustee for the Fordham Combined Charities. The Trustees of the Connexion are all Trustees of Fordham and the Connexion maintains funds on behalf of the charity. These funds are eliminated during the preparation of the financial statements and no other transactions with Fordham are reflected in the financial statements.

1.15 Debtors

Gift aid debtors represent amounts due from HMRC in relation to gift aid claims that remain unpaid at the year end.

Prepayments and accrued income are valued at the amount prepaid.

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the statement of financial activities.

1.16 Creditors, loans and provisions

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

Financial liabilities are only derecognised when, and only when, the charity's obligations are discharged, cancelled or they expire.

Amounts recognised as provisions are best estimates of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

THE COUNTESS OF HUNTINGDON'S CONNEXION
TRUSTEES REPORT FOR THE YEAR ENDING 30TH JUNE 2023

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.

Critical judgements

Residual values of churches and manse

As discussed in note 1.6, the Trustees are of the opinion that the residual value of the land on which the churches and manse are built, exceeds the carrying value of the original asset in the financial statements. No depreciation is therefore charged on these assets. The Trustees review this position at the end of each financial year end in order to identify any churches and manse where the carrying value should be impaired.

3. Donations and Legacies

	Unrestricted Funds General	Restricted Funds	Total	Unrestricted Funds General	Restricted Funds	Total
	2023	2023		2022	2022	
	£	£	£	£	£	£
Donations and Gifts	1,008	248,781	249,789	1,511	244,640	246,151
Legacies Receivable	-	1,020	1,020	-	55,803	55,803
Grant Income	-	26,524	26,524	-	21,242	21,242
	1,008	276,325	277,333	1,511	321,685	323,196
Donations and Gifts						
Donations and Gifts	1,000	232,118	233,118	1,511	209,484	210,995
Other Income	8	83	91	-	11,031	11,031
Freewill Offerings	-	15,415	15,415	-	22,700	22,700
Donations for other charities	-	1,165	1,165	-	1,425	1,425
	<u>1,008</u>	<u>248,781</u>	<u>249,789</u>	<u>1,511</u>	<u>244,640</u>	<u>246,151</u>

4. Other Trading Activities

	Unrestricted Funds General	Restricted Funds	Total	Unrestricted Funds General	Restricted Funds	Total
	2023	2023	2023	2022	2022	2023
	£	£	£	£	£	£
Other Trading Activities	<u>17,560</u>	<u>16,525</u>	<u>34,085</u>	<u>7,544</u>	<u>21,285</u>	<u>28,829</u>

5. Investments

	Unrestricted Funds General	Restricted Funds	Total	Unrestricted Funds General	Restricted Funds	Total
	2023	2023		2022	2022	
	£	£	£	£	£	£
Rental Income	14,520	-	14,520	14,770	-	14,770
Interest Receivable	42,301	1,174	43,475	36,729	416	37,145
	<u>56,821</u>	<u>1,174</u>	<u>57,995</u>	<u>51,499</u>	<u>416</u>	<u>51,915</u>

THE COUNTESS OF HUNTINGDON'S CONNEXION
TRUSTEES REPORT FOR THE YEAR ENDING 30TH JUNE 2023

6. Other Income

	Permanent Endowment Funds	
	2023	2022
	£	£
Realised Gains on disposal of Assets	130,798	44,000

THE COUNTESS OF HUNTINGDON'S CONNEXION

TRUSTEES REPORT FOR THE YEAR ENDING 30TH JUNE 2023

7. Raising Funds

	Unrestricted Funds General 2023 £	Restricted Funds 2023 £	Endowment Funds 2023 £	Total 2023 £	Unrestricted Funds General 2022 £	Restricted Funds 2022 £	Endowment Funds 2022 £	Total 2022 £
<u>Fundraising and Publicity</u>								
Seeking donations, grants and legacies	8,260	2,362	-	10,622	8,640	1,335	-	9,975
<u>Trading Costs:</u>								
Conference Expenditure	16,959	-	-	16,959	11,776	-	-	11,776
	<u>25,219</u>	<u>2,362</u>	<u>-</u>	<u>27,581</u>	<u>20,416</u>	<u>1,335</u>	<u>-</u>	<u>21,751</u>

THE COUNTESS OF HUNTINGDON'S CONNEXION
TRUSTEES REPORT FOR THE YEAR ENDING 30TH JUNE 2023

8. Charitable Activities

	Spreading the Gospel in UK 2023 £	Mission work in Sierra Leone 2023 £	Total £	Spreading the Gospel in UK 2022 £	Mission work in Sierra Leone 2022 £	Total £
Staff Costs	85,040	-	85,040	60,750	-	60,750
Trustees Liability Insurance	866	-	866	866	-	866
Postage, Stationery and Telephone	-	-	-	-	-	-
Travelling Expenses	781	-	781	593	-	593
Legal and Professional	2,460	-	2,460	2,300	-	2,300
Property Expenses	83,678	-	83,678	30,806	-	30,806
Church Charitable Expenses	50,385	-	50,385	45,431	-	45,431
Sundry Expenses	10,373	-	10,373	5,881	-	5,881
Mission Expenses	-	125,087	125,087	-	126,479	126,479
Depreciation	17,818	-	17,818	17,818	-	17,818
	<u>251,401</u>	<u>125,087</u>	<u>376,488</u>	<u>164,445</u>	<u>126,479</u>	<u>290,924</u>
Grant Funding of Activities (Note 9)	19,433	-	19,433	29,402	-	29,402
Share of governance costs (Note 10)	7,420	-	7,420	12,600	-	12,600
	278,254	125,087	403,341	206,447	126,479	332,926
Analysis by fund						
Unrestricted Fund - General	27,301	-	27,301	21,636	-	21,636
Restricted Funds	233,135	125,087	358,222	166,993	126,479	293,472
Permanent endowment	17,818	-	17,818	17,818	-	17,818
	<u>278,254</u>	<u>125,087</u>	<u>403,341</u>	<u>206,447</u>	<u>126,479</u>	<u>332,926</u>

9. Grants Payable

	2023 £	2022 £
Grants to Institutions	5,152	6,345
Grants to Individuals	14,281	23,057
	<u>19,433</u>	<u>29,402</u>

10. Support Costs

	2023 £	2022 £
<u>Governance Costs</u>		
Audit and Accountancy Fees	7,220	12,600
Independent Examination Fees	200	-
	<u>7,420</u>	<u>12,600</u>

Independent Examination Fee is in respect to external preparation of an individual church account.

THE COUNTESS OF HUNTINGDON'S CONNEXION
TRUSTEES REPORT FOR THE YEAR ENDING 30TH JUNE 2023

11. Trustees

Other than disclosed at note 25, none of the other Trustees (or any persons connected with them) received any remuneration during the year, but 3 of them were reimbursed a total of £669 for travelling expenses (2022 - 2 were reimbursed £232).

During the year the charity bought Trustee Liability Insurance at a cost of £866 (2022 - £866).

12. Employees

	2023	2022
	Number	Number
Employed within Connexion churches	4	4
	2023	2022
	£	£
Employment Costs		
Wages and salaries	81,058	59,036
Social security costs	2,423	787
Other pension costs	1,559	927
	<u>85,040</u>	<u>60,750</u>

Four individuals were employed by the Connexion during the year, some of whom worked on a part time basis. Overall, these would equate to approximately 3 full time employees.

Wages and salaries comprise the Ministerial, other operational and admin staff salaries as well as those living expenses received by resident ministers in the UK.

The Trustees are of the opinion that the Trustees are key management and that there are no remunerated key management personnel.

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

13. Net gains / losses on Investments

	Unrestricted Funds General 2023 £	Permanent Endowment Funds 2023 £	Total £	Unrestricted Funds General 2022 £	Permanent Endowment Funds 2022 £	Total £
Revaluation of Investments	(2,416)	(13,501)	(15,917)	(7,341)	(28,569)	(35,910)

14. Taxation

The Countess of Huntingdon's Connexion is a registered charity and as such is a charity within the meaning of schedule 6 of the Finance Act 2010. Accordingly, the charity is potentially entitled to tax exemption under part 11 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 in respect of income and gains arising. Given this, no tax charge arises on the charity.

THE COUNTESS OF HUNTINGDON'S CONNEXION
TRUSTEES REPORT FOR THE YEAR ENDING 30TH JUNE 2023

15. Tangible fixed assets

	Church land and buildings	Manse land and buildings	Total
	£	£	£
Costs:			
At 1 st July 2022	2,177,064	1,979,622	4,156,686
Additions / (Sales)	-	(70,290)	(70,290)
At 30 th June 2023	<u>2,177,064</u>	<u>1,909,332</u>	<u>4,086,396</u>
 Depreciation and Impairment			
At 1 st July 2022	72,074	83,576	155,650
Depreciation charged in year	7,617	10,201	17,818
At 30 th June 2023	<u>79,691</u>	<u>93,777</u>	<u>173,468</u>
 Carrying Amount:			
At 30 th June 2023	<u>2,097,373</u>	<u>1,815,555</u>	<u>3,912,928</u>
At 30 th June 2022	<u>2,104,990</u>	<u>1,896,046</u>	<u>4,001,036</u>

Land and buildings comprise properties falling into two distinct categories:

1. Church buildings, which are inalienable from the purposes for which the charity has been established.
2. Residential properties (Manse) for Ministers and their families.

In addition to the above, a further investment property is held to generate income for the charity, being a church building that is let out and cannot be utilised in the Connexion. For further details see note 16.

The properties were first introduced to the accounts as fixed assets when accounting regulations required them to be shown as such. This occurred in the year ended 31 December 1996. To obtain professional valuations of the properties was considered too costly and therefore, as is permitted by the SORP, the Trustees based on their own intuitive knowledge of the properties, attributed a value to all properties held at 31 December 1995 to represent their historical cost. Since that date, any additions to properties or capital improvements to existing properties have been included at cost.

Churches are predominantly disclosed at the value estimated by the Trustees in December 1995 which stands at £1,796,167 (2022 - £1,796,167). Improvements to church buildings are being depreciated on a straight line basis over 50 years. After the charge for the year the net book value of these improvements amounted to £301,206 (2022 - £308,823).

Manse are a mixture of those valued by the Trustees in December 1995 plus a number of additions since that date. The total value of these properties is £1,815,555 (2022 - £1,896,046). Of this value, seven properties are held at the Trustees' estimate cost of £729,222 (2022 - £789,222) with the remaining properties shown at cost (less depreciation where appropriate) of £1,086,333 (2022 - £1,106,824).

The Bolney Village Chapel Trust holds a 10.7548% interest in the property known as Fenners, Top Street, Bolney, West Sussex. The remaining 89.2452% is held by the Connexion.

The manse at Cradley was sold during the year, with a cash profit of £130,798 over the book price of £70,290.

THE COUNTESS OF HUNTINGDON'S CONNEXION
TRUSTEES REPORT FOR THE YEAR ENDING 30TH JUNE 2023

16. Investment property

	2023
Fair Value	£
At 1st July 2023 and 30th June 2023	175,000

Investment properties comprise churches not used directly in the furtherance of the Connexion's charitable objectives but are let out to generate income for the Charity. The investment property, Rayleigh Church, was valued at £175,000 based on open market value for continuing use, by D Plaskow FRICS of Hair & Son LLP in January 2014. The Trustees have reviewed this valuation and are of the opinion that there is no material change at the balance sheet date.

If investment properties were stated on an historical cost basis rather than a fair value basis, the amounts would have been included as follows:

	2023	2022
	£	£
Cost	80,000	80,000
Depreciation	-	-
Carrying Amount	<u>80,000</u>	<u>80,000</u>

17. Fixed Asset Investments

	Listed Investments
	£
Cost or Valuation:	
At 1st July 2023	813,126
Valuation changes	(15,917)
At 30 th June 2023	797,209
Carrying Amount	
At 30 th June 2023	797,209
At 30 th June 2022	813,126

The historic cost of the investments held is £830,000 (2022 - £830,000).

18. Debtors

	2023	2022
	£	£
Amounts falling due within 1 year		
Other Debtors	<u>39,416</u>	<u>28,580</u>

19. Creditors

	2023	2022
	£	£
Other Creditors	1,589	2,846
Accruals and Deferred Income	7,680	12,600
	<u>9,269</u>	<u>15,446</u>

THE COUNTESS OF HUNTINGDON'S CONNEXION
TRUSTEES REPORT FOR THE YEAR ENDING 30TH JUNE 2023

20. Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to the statement of financial activity in respect of defined contribution schemes was £1,559 (2022 - £927).

The charity had an outstanding pension contribution liability at the year end of £131 (2022 - £nil).

THE COUNTESS OF HUNTINGDON'S CONNEXION
TRUSTEES REPORT FOR THE YEAR ENDING 30TH JUNE 2023

21. Permanent Endowment Funds

At the balance sheet date, the capital value of the initial endowment is held in the tangible fixed assets, land and buildings, of the Connexion and also in an investment property which is a property no longer used in the work of the Connexion. This represents the Churches and Manse category of the permanent endowment.

	Movement In Funds					Movement In Funds					
	Balance at 1st July 2021 £	Income £	Expenditure £	Transfers £	Revaluation gains and losses £	Balance 1st July 2022 £	Income £	Expenditure £	Transfers £	Revaluation gains and losses £	Balance 30th June 2023 £
Churches and Manse	4,192,686	-	(17,818)	1,168	-	4,176,036	-	(17,818)	(70,290)	-	4,087,928
Capital Fund	717,463	44,000	-	(1,168)	(28,569)	731,726	130,798	-	70,290	(13,501)	919,313
	4,910,149	44,000	(17,818)	-	(28,569)	4,907,762	130,798	(17,818)	-	(13,501)	5,007,241

Additionally, there are cash deposits which relate to the unspent net proceeds from previous property disposals. In accordance with paragraphs 17 and 27 of the governing document, the Trustees are able to apply this element of the capital endowment to the acquisition of property to use in the work of the Connexion, the improvement of the current freehold land and buildings and for fixtures and fittings for those properties.

THE COUNTESS OF HUNTINGDON'S CONNEXION
TRUSTEES REPORT FOR THE YEAR ENDING 30TH JUNE 2023

22. Restricted Funds

	Movement In Funds				Movement In Funds			
	Balance at 1 st July 2022	Incoming Resources	Resources Expended	Transfers	Balance at 1 st July 2023	Incoming Resources	Resources Expended	Transfers
		£	£	£	£	£	£	£
Church Activities	160,387	171,233	(146,516)	2,010	187,114	183,623	(222,851)	4,006
Youth Conference	1,509	-	-	-	1,509	-	-	-
Sierra Leone Mission Projects	32,907	149,211	(126,479)	18,913	74,552	85,037	(125,087)	22,374
Chestnut Foundation	24,909	20,562	(21,812)	(10,285)	13,374	23,084	(12,646)	(15,194)
Mission and Development	4,935	2,380	-	(7,315)	-	2,280	-	(2,280)
Centrally Managed Church Funds	29,386	-	-	(398)	28,988	-	-	-
	<u>254,033</u>	<u>343,386</u>	<u>(294,807)</u>	<u>2,925</u>	<u>305,537</u>	<u>294,024</u>	<u>(360,584)</u>	<u>8,906</u>
								<u>247,883</u>

Church activities relates to the funds held which have been allocated to the specific church to which the original gifts and donations were made. Funds may be spent by each individual church in accordance with the charitable objects of the Connexion as a whole. The Sierra Leone Mission funds are given to provide for various projects undertaken in Sierra Leone. These projects include the maintenance of the buildings. The Chestnut Foundation provides an amount to the Connexion each year which is applied to ministerial training and support in the UK and Sierra Leone. Centrally managed church funds are funds held on behalf of the individual churches and are given to fund specific church repairs or one-off costs as they fall due.

THE COUNTESS OF HUNTINGDON'S CONNEXION
TRUSTEES REPORT FOR THE YEAR ENDING 30TH JUNE 2023

23. 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 for specific purposes:

	Balance at 1 st July 2021	Income	Balance at 1 st July 2022	Income	Balance at 31 st July 2023
	£	£	£	£	£
Property Maintenance	329,819	-	329,819	-	329,819

The designated property maintenance fund represents funds that the Trustees have ring-fenced for future maintenance costs either in excess of the amounts available in the Permanent Endowment or for maintenance work for which permanent endowment funds cannot be used.

24. Analysis of Net Assets between funds

	Unrestricted Funds - General	Unrestricted Funds - Designated	Restricted Funds	Permanent Endowment	Total
	£	£	£	£	£
Fund Balances at 30th June 2023					
Tangible Assets	-	-	-	3,912,928	3,912,928
Investment Properties	-	-	-	175,000	175,000
Investments	-	-	-	797,209	797,209
Current Assets (liabilities)	87,886	329,819	247,883	122,104	787,692
	<u>87,886</u>	<u>329,819</u>	<u>247,883</u>	<u>5,007,241</u>	<u>5,672,829</u>

The permanent endowment fund includes unrealised gains of £95,000 (2022- £95,000) in relation to the revaluation of investment properties.

Transfers from restricted funds relate to monies where the restricted purpose or objectives of such income has been fully satisfied.

	Unrestricted Funds - General	Unrestricted Funds - Designated	Restricted Funds	Permanent Endowment	Total
	£	£	£	£	£
Fund Balances at 30th June 2022					
Tangible Assets	-	-	-	4,001,036	4,001,036
Investment Properties	-	-	-	175,000	175,000
Investments	-	166,233	-	646,893	813,126
Current Assets (liabilities)	76,339	163,586	305,537	84,833	630,295
	<u>76,339</u>	<u>329,819</u>	<u>305,537</u>	<u>4,907,762</u>	<u>5,619,457</u>

25. Events after the reporting date

There have been no significant events to report subsequent to the year end.

THE COUNTESS OF HUNTINGDON'S CONNEXION
TRUSTEES REPORT FOR THE YEAR ENDING 30TH JUNE 2023

26. Related Party Transactions

During the year under review, Rev. B Quant and Rev. B. Burrage, Trustees, were Governors of the charity known as The Cheshunt Foundation, which provides grants to the Connexion for ministerial training. A total of £23,084 (2022 - £20,562) was received in the year under review. The unspent balance of these monies is held as a restricted fund (see Note 22).

Mr D. J. Lockett, a Trustee, was a Trustee of the Bolney Village Chapel Trust which owns part of the manse at Bolney and the new church building. The Connexion's interest in the manse property is 89.2452%. The property is included in tangible fixed assets at cost.

Rev. B Quant, a Trustee, is also a director of The Incorporated Sierra Leone Missionary Association, a dormant company which is limited by guarantee as referred to in the Trustees' Report.

Mr G Squibbs is also a Trustee of St. Stephen's Church, Middleton, which is a separately registered CIO affiliated to the Countess of Huntingdon's Connexion. The Connexion received a donation of £400 (2022 - £500) from St Stephen's Church during the year.

Rev. B. Burrage is also a Trustee of Rosedale Community Church which is a separately registered CIO affiliated to the Countess of Huntingdon's Connexion. The Connexion received a donation of £500 from Rosedale church in 2022 (2022 - £500) and also paid a grant of £8,692 (2022 - £7,883) to the church during the year.

Rev. B. Burrage received a training grant of £1245 (2022 - £0) from the Connexion

Rev. Simon Allaby is employed by the 6:19 Trust, and the Trust received £16,478 (2022 - £10,000) in relation to his work at Bolney Chapel. He also received a training grant of £300 (2022 - £145) from the Connexion. Mr J. Allaby, a connected person to Rev. S. Allaby received a training grant of £5,990 (2022 - £7,700).

The Rev. B. Quant is minister at the Wormley Free Church, which is a separately registered CIO affiliated to the Countess of Huntingdon's Connexion. The Connexion received a donation of £400 from Wormley church. (2022 - £400).

27. Custodian Assets

The Trustees of the Connexion are also the Trustees of the connected charity, Fordham Combined Charities. At the year-end the Connexion holds £39,081 (2022 - £47,681) on behalf of this charity; these funds are eliminated from the Connexional accounts during their preparation. There was a balance payable to the Fordham Combined Charities, following consolidation adjustments, of £471 (2022 - £455) at the year end.

28. Cash generated from Operations

	2023	2022
	£	£
Surplus for the year	53,372	57,353
Adjustments for:		
Investment income recognised in statement of financial activities	(57,995)	(51,915)
Fair value (gains) and losses on investments	15,917	35,910
Depreciation	17,818	17,818
(Increase)/Decrease in Debtors	(10,836)	(6,273)
Increase/(Decrease) in Creditors	(6,177)	1,682
Cash generated from (used by) operations	<u>12,099</u>	<u>54,575</u>

THE COUNTESS OF HUNTINGDON'S CONNEXION
TRUSTEES REPORT FOR THE YEAR ENDING 30TH JUNE 2023

29. Analysis of changes in net funds

The charity had no debt in the current or previous financial year.

30. Comparative Statement of Financial Activities

	Notes	Unrestricted Funds General	Unrestricted Funds Designated	Restricted Funds	Permanent Endowment	Total Jun 2022	Total Jun 2021
Income from:							
Donations and legacies	3	1,511	-	321,685	-	323,196	270,552
Other trading activities	4	7,544	-	21,285	-	28,829	12,027
Investments	5	51,499	-	416	-	51,915	38,530
Other income	6	-	-	-	44,000	44,000	-
Total Income and Endowments		<u>60,554</u>	-	<u>343,386</u>	<u>44,000</u>	<u>447,940</u>	<u>321,109</u>
Expenditure on:							
<u>Raising funds</u>							
Fundraising and publicity	7	8,640	-	1,335	-	9,975	9,320
Trading Costs	7	11,776	-	-	-	11,776	2,576
Total Raising Funds		<u>20,416</u>	-	<u>1,335</u>	-	<u>21,751</u>	<u>11,896</u>
<u>Charitable Activities</u>							
Spreading the Gospel in UK	8	21,636	-	166,993	17,818	206,447	235,646
Mission work in Sierra Leone	8	-	-	126,479	-	126,479	83,758
Total Charitable Activities		<u>21,636</u>	-	<u>293,472</u>	<u>17,818</u>	<u>332,926</u>	<u>319,404</u>
Total Expenditure		<u>42,052</u>	-	<u>294,807</u>	<u>17,818</u>	<u>354,677</u>	<u>331,300</u>
Net (losses)/gains on investments	13	<u>(7,341)</u>	-	-	<u>(28,569)</u>	<u>(35,910)</u>	<u>80,880</u>
Net income/ (expenditure) before transfers		<u>11,161</u>	-	<u>48,579</u>	<u>(2,387)</u>	<u>57,353</u>	<u>70,689</u>
Transfers between funds		(2,925)	-	2,925	-	-	-
Net Movement in Funds		<u>8,236</u>	-	<u>51,504</u>	<u>(2,387)</u>	<u>57,353</u>	<u>70,689</u>
Fund Balances at 1 st July 2021	21,22,23	<u>68,103</u>	<u>329,819</u>	<u>254,033</u>	<u>4,910,149</u>	<u>5,562,104</u>	<u>5,491,495</u>
Fund Balances at 30th June 2022	21,22,23	<u>76,339</u>	<u>329,819</u>	<u>305,537</u>	<u>4,907,762</u>	<u>5,619,457</u>	<u>5,562,104</u>