

# THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM

England & Wales · Charity number 238681

## Details

---

Other names	JOHNSON ASSOCIATION, THE JOHNSON FUND
Status	Registered
Legal form	Other
Registered	1965-04-12
Register	<a href="#">View on the Charity Commission register</a>

## Contact

---

Address	17 Birch Green Grove Stoke-On-Trent ST1 6RD
Phone	07774231526
Email	<a href="mailto:canon.john.gilbert@rcaob.org.uk">canon.john.gilbert@rcaob.org.uk</a>
Website	<a href="http://www.johnsonassociation.org">www.johnsonassociation.org</a>

## Activities

---

**Objects:** THE SUPPORT OF THE SECULAR CLERGY OF THE ARCHDIOCESE, WHO, ON ACCOUNT OF AGE OR INFIRMITY ARE NO LONGER ABLE TO WORK, AND TO ASSIST PRIESTS WITH TEMPORARY ILLNESS, OR WHO HAVE TO UNDERGO OPERATIONS.

**Activities:** The charity supports clergy, who, on account of age or infirmity, are no longer able to carry out their parochial work.

## Classification

---

- **How:** Makes Grants To Individuals, Provides Other Finance
- **What:** The Prevention Or Relief Of Poverty, Religious Activities
- **Who:** Other Defined Groups

## Geography

- **Area of benefit:** ARCHDIOCESE OF BIRMINGHAM
- Throughout England

## Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£703,332	£479,731	£20,407,851	0
2024-03-31	£1,018,810	£530,029	£19,867,157	0
2023-03-31	£477,126	£462,232	-	-
2022-03-31	£679,817	£430,480	£19,247,288	0
2021-03-31	£431,199	£440,103	-	-

## Trustees

Name	Role	Appointed
Canon John Yethi Raju Batthula		2023-07-04
Fr David Michael Hartley		2021-07-05
James Anthony Colby		2025-07-07
Patricia Ann Deeley		2021-07-05
Rev Peter James Madden		2022-07-04
Rev Philip Jarvis Griffin		2024-07-08

**THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM**

England & Wales - Charity number 238681

---

# Accounts

---

**The Johnson or Secular Clergy Association  
of the Archdiocese of Birmingham**

**Report of the Trustees and Financial Statements**

**for the Year Ended**

**31st March 2025**

**The Johnson or Secular Clergy Association of the Archdiocese of Birmingham**

**Contents of the Financial Statements  
for the Year Ended 31st March 2025**

	<b>Page</b>
Report of the Trustees	1
Report of the Independent Auditors	8
Statement of Financial Activities	11
Balance Sheet	12
Statement of Cash Flows	13
Notes to the Statement of Cash Flows	14
Notes to the Financial Statements	15

# The Johnson or Secular Clergy Association of the Archdiocese of Birmingham

## Report of the Trustees for the Year Ended 31st March 2025

The Trustees present their annual report together with the audited financial statements of the Charity for the year ended 31st March 2025.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (effective 1<sup>st</sup> January 2019).

### REFERENCE AND ADMINISTRATIVE INFORMATION

<b>Name:</b>	The Johnson or Secular Clergy Association of the Archdiocese of Birmingham
<b>Registered Charity Number:</b>	238681
<b>Principal Office:</b>	17 Birch Green Grove Stoke-on-Trent Staffordshire ST1 6RD
<b>Trustees</b>	Rev G Murray - Chair – resigned as Trustee 8 <sup>th</sup> July 2024 Rev D Hartley - Chair from 8 <sup>th</sup> July 2024 Rev J Batthula Mrs P Deeley Rev P Griffin - appointed 8 <sup>th</sup> July 2024 Rev P Madden
<b>Administrator:</b>	Rev D Doran
<b>Secretary:</b>	Canon J Gilbert
<b>Auditors:</b>	Rice & Co Limited Chartered Accountants Statutory Auditors 14a Market Place Uttoxeter Staffordshire ST14 8HP
<b>Bankers:</b>	The Co-operative Bank 1 Balloon Street Manchester M4 4BE
<b>Solicitors:</b>	Lodders LLP Number Ten Elm Court Arden Street Stratford Upon Avon Warwickshire CV37 6PA
<b>Investment Managers:</b>	Quilter Cheviot Senator House 85 Queen Victoria Street London EC4V 4AB

## **The Johnson or Secular Clergy Association of the Archdiocese of Birmingham**

### **Report of the Trustees for the Year Ended 31st March 2025**

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Constitution**

The Johnson or Secular Clergy Association of the Archdiocese of Birmingham (“The Johnson Association”) is an unincorporated association registered with the Charity Commission, registration number 238681, and acts independently of any other charity.

The Association is governed by the rules adopted as its constitution on 29 November 2000 and amended on 14th July 2010, 13th July 2011, 11th July 2012, 11th July 2013, 2nd July 2018, 7th October 2020, 5th July 2021 and 4th July 2022.

##### **Trustees and meetings**

The Body of Trustees consists of five people elected by the Members at the Annual General Meeting. Each year one fifth of the trustees will retire. The Trustees to retire will be those who have been longest in office since they were last elected. New trustees may be nominated by any member, the board of advisors, or the Trustees, and will be elected by the members at the AGM. However, no person shall be eligible for election onto the Body of Trustees if at the date of the Annual General Meeting from which if elected he will hold office, or the date of the Trustees’ Meeting at which he is co-opted, he will have served ten consecutive years as a Trustee.

Trustees meet quarterly and give their time freely, with no trustee remuneration or expenses paid. Honoraria are paid to the Administrator and Secretary, who are not Trustees. Trustees are required to disclose all relevant interests or activity with another charitable trust. A ‘declaration of interest’ is signed at every Trustee Meeting.

The Chair of the Trustees is appointed by the Trustees immediately following the Annual General Meeting and is a trustee ex officio. The Chair of Trustees holds office for three years, after which they may be appointed for a second term of office but after the expiry of such second term will not be eligible for appointment as the Chair.

At Trustees meetings, the Trustees have agreed that areas of Governance and activity should be organised in a systematic manner. At each of the quarterly meetings the Trustees give due consideration to the application for discretionary grants. The day-to-day administration of grants and the processing and handling of applications prior to consideration by the Trustees is delegated to the Administrator.

At Trustees meetings during the year, there is a focus on Trustee training. This serves as training for the newly appointed trustees and an annual update for all of the Trustees and their delegates. The Autumn Trustees Meeting usually also has an induction training session for new Trustees. Previous Trustee training highlighted that greater diversity would be valuable for our organisation. The Trustees continue to be aware of this in appointments.

This year the Trustees reviewed the Constitution to ensure that they were familiar with its principles and content.

In particular the Trustees received training in the following areas:

- Fundraising and the Fundraising Regulator/ Fundraising Code.
- Risk Assessment.
- General training and especially the Short Guides referred to in the Welcome Pack issued by the Charity Commission - with a focus on conflicts of interest, decision taking and the objects of the charity.
- Charity Governance Code.
- The changes to the Charities Act 2022 which is being phased in at present.

Finally, as referred to below, there was a focus on the grant-making policy and procedure to ensure that it is up to date. See further below.

At the first meeting of the calendar year, the Trustees undertake an annual financial review updating their financial policy and risk management. The Trustees, together with the Association’s Investment Managers – Quilter Cheviot - ensure that the level of financial risk is effectively managed to enable the trustees to forecast and provide the funds available to support those Secular Clergy to whom it offers a discretionary grant, while ensuring that the long-term investment policy is upheld.

## The Johnson or Secular Clergy Association of the Archdiocese of Birmingham

### Report of the Trustees for the Year Ended 31st March 2025

At our January Trustees meeting we discussed Responsible Investment - defined as:

*'A strategy and practice to incorporate environmental, social and governance (ESG) factors in investment decisions and active ownership'.*

ESG = Environmental, Social and Governance has further sub-headings in each category.

Quilter Cheviot and other Investment Companies are now required to discuss Responsible Investment with their clients and to log and document this discussion.

Quilter Cheviot works in dialogue with those companies in which it invests, which in turn (it is hoped) leads to positive change.

Quilter Cheviot has an engagement policy – “We vote and engage with companies”.

The Trustees agreed that Responsible and Sustainable Investment should be a part of the broader Financial Policy which would be discussed at the first meeting of each year.

Subsequently the following statement was agreed which will form the basis of a draft ‘policy for investment’:

*In principle the Board wish to be responsible investors. Environmental, social and governance (ESG) criteria are a set of standards that socially conscious investors, such as a charity, consider when reviewing their investments. Environmental criteria consider how a charity performs as a steward of nature. Social criteria examine how it manages relationships with employees, suppliers, customers, and the communities where it operates. Governance deals with a charity's leadership, executive pay, audits, internal controls, and shareholder rights. Therefore, the investment managers are encouraged to take account of ESG issues in their investment analysis and decision-making processes and engage with charity management when appropriate.*

During the year, the Trustees undertook a review of all the policies and procedures of the Board of Advisors to the Trustees at a specially convened meeting in December 2024. The review took place with each Trustee looking at one policy each and then presenting their review and considerations for all the Trustees to make their contributions – various changes were made to policies, errors and typos corrected and updated and agreed by all Trustees.

The Annual General Meeting takes place in July. Each of the members are invited to attend. The AGM accepts the resignation of one fifth of the Trustee body and elects a new trustee. The AGM discusses those matters proposed by the Trustees, or Board of Advisors, as well as any matter proposed by a member. The Trustees’ Report and Financial Statement are agreed, and any other business as required, e.g. the appointment of Auditors and Accountants.

#### **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 period which give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities Statement of Recommended Practice (SORP 2019);
- make judgments and accounting 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 financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and 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 Charities (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.

## The Johnson or Secular Clergy Association of the Archdiocese of Birmingham

### Report of the Trustees for the Year Ended 31st March 2025

#### The Board of Advisers to the Trustees (Deanery Reps)

The Board of Advisers to the Trustees are the clergy representatives elected by their Deanery to represent the Members of the Deanery and keep the trustees informed as to the physical wellbeing of the members. They are elected, also, to advise the trustees in matters relating to the Association, advice which the trustees must listen to.

The following representatives served during the year:

Rev K Hooper	Rev B Devanney	Rev C Rogerson	Rev J Green
Rev A Foster	Rev S Pimlott	Rev L Nguyen	Rev T Norton
Rev M Egawhary	Rev P Whieldon	Rev D Lamb	

#### Day-to-day operations

Responsibility for day-to-day affairs of the Association has been delegated to the administrator and secretary.

#### Associated company

The Johnson or Secular Clergy Association of the Archdiocese of Birmingham has an associated Trust Company - The Johnson Trust Corporation Limited (company number 8287813) which holds any real property as custodian trustee of The Association. The Johnson Trust Corporation Limited has been dormant throughout recent years and was 'struck off' in March 2025.

#### Risk management

The Trustees of the Johnson Association review and update their Risk Register every six months and having reviewed those risks they have established systems and procedures to manage those risks. Usually this is an exercise in planning for the worst-case scenario. Reviewing the Risk Register proved to be robust and has served us well.

The Trustees consider the variability of investment returns upon their investment portfolio as a significant financial risk. They are also aware that, in common with society in general, the Secular Clergy are, as a whole, older than they were and living longer. Therefore, it is probable that the financial demands upon the charity will increase at a time when volatility in world markets seems higher.

Following a completion of a survey of the Secular Clergy based on their current age, (which has enabled them to produce a detailed forecast of the numbers of Secular Clergy who will retire each year for the next twenty five years), the Trustees are equipped to make decisions on a long-term basis, as well as continuing provision for the additional numbers of Secular Clergy retiring and future demands upon the Charity.

With the increasing uncertainty in financial markets, the Trustees in consultation with their Investment Managers, undertook a thorough financial review and agreed the level of financial risk they were willing to accept. The trustees agreed to keep the current risk status as 'Medium'.

## OBJECTIVES AND ACTIVITIES

#### Objectives

The Johnson Association's objective is the support of the Secular Clergy of the Archdiocese, who, on account of age or infirmity, are no longer able to continue their parochial work and to support priests who are suffering temporary illness.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Association's objectives and in planning future activities and considering the grant-making policy.

#### Activity

The Johnson Association achieves its objective by:

- Providing discretionary grants to priests who, through old age or infirmity are no longer able to work.
- Providing discretionary grants in aid of priests who are on the active list, but who are incapacitated by serious illness for a period longer than a month.

## The Johnson or Secular Clergy Association of the Archdiocese of Birmingham

### Report of the Trustees for the Year Ended 31st March 2025

#### Grant Making Policy

It is through the provision of discretionary grants that the Johnson Association seeks to fulfil its objective to support the Secular Clergy of the Archdiocese, who, on account of age or infirmity, are no longer able to continue their parochial work and to support priests who are suffering temporary illness.

The review and governance of the grant making policy is an important priority for the Trustees. Following confirmation from the Archdiocese that a Priest has retired, the retired priest may apply for a discretionary grant. It is expected that the applicant's financial arrangements are disclosed in full, and that any major financial matters are detailed, e.g. the lack of a full pension, financial demands as a result of full-time nursing care, savings and investments, private income. The Trustees also ensure that the applicant has upheld the requirements and obligations of the Association.

The application is scrutinised by the Trustees and a judgement is made on the awarding of a grant, either in full or in part, depending upon the individual's circumstances. The Trustees do not have a single grant figure for every case. Instead, the Trustees give their attention and support on those whose need is greatest, within an agreed range.

The Trustees review each grant offered to the recipients if their circumstances have changed. This is an ongoing activity.

#### Main activities undertaken to further the Charity's purposes for public benefit

When planning the grant making activity of the Association the trustees have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the relief of poverty and they have also had regard to the specific guidance on charities for the advancement of religion.

The Association makes grants principally to retired clergy. Such financial assistance is needed to assist retired clergy towards maintaining their standard of living during retirement. The making of grants depends on the circumstances of the recipient.

The clergy are valued members of society: building and strengthening communities, supporting the dying and bereaved, ministering to the sick at home and in hospital, caring for the poor and marginalised, visiting those in prison and providing spiritual and moral education for children.

#### Review of activities

During the year the Association has continued to focus on its core activities of raising funds to provide financial assistance to retired and incapacitated priests. Income is received from a levy paid by the parishes of the Archdiocese of Birmingham together with an annual second collection in Churches within the area. This is supplemented by general donations, legacies and income received from our investments which are carefully monitored by our investment managers Quilter Cheviot.

The Trustees monitor their achievement and performance in their ability to care and support growing numbers of Secular Clergy who rely on the Association's provision today and in the future, while keeping an appropriate balance between current funding and financial provision for future generations.

#### Number of Secular Clergy Supported:

2020	2021	2022	2023	2024	2025
58	65	56	57	61	56

The forecast of members retirement is expected to grow significantly in the next few years due to the age profile of the Secular Clergy in the Archdiocese of Birmingham.

To support our objective, the Trustees have sought to carefully examine the financial performance of the Association, in accordance with the agreed financial policy and risk management. Given the level of uncertainty in the financial investments, the trustees have sought to maximise the potential income from the Annual November Collection and to have a closer relationship with benefactors.

## The Johnson or Secular Clergy Association of the Archdiocese of Birmingham

### Report of the Trustees for the Year Ended 31st March 2025

#### **Fundraising activities and income generation**

The Association raises funds through an annual second collection in the Churches of the Archdiocese of Birmingham. Donations are also made through Standing Order payments and through the Association's website. There were no complaints received by the Association about activities by the Association or by a person on behalf of the Association for the purpose of fundraising. The Association has taken measures to protect vulnerable people and other members of the public from the following behaviours in the course of or in connection with fundraising activities:

- Unreasonable intrusion on a person's privacy.
- Unreasonable persistent approaches for the purpose of soliciting or otherwise procuring money or other property on behalf of the charity.
- Placing undue pressure on a person to give money or other property.

#### **Investment policy and performance**

Previously, the core of the Association's income was derived from donations and legacies, which by their nature are subject to fluctuations. To sustain a level of income sufficient to meet demands on its resources, the Association requires a significant capital base and the trustees have maintained an active investment policy to provide a degree of stability and certainty in income levels.

The aim is to maintain and, if possible, increase the real value of the monies invested. In doing this, sufficient income should be generated to supplement the core income and provide the annual funds needed to meet the objectives of the Association. The Charity regularly reinvests any surplus it receives (usually from bequests) into its portfolio, to ensure that its investments are secure and growing, and its dividends are sufficient to cover the expected increase in future grant applications.

Investments held by the Association, which are shown at note 10 of the accounts, were acquired in accordance with the powers available to the trustees and the Trustee Act 2000.

The Charity's investment managers, Quilter Cheviot, are instructed to generate a balance between capital growth and income, provided that the gross income each year exceeds a minimum of £175,000. Investment income for the year totalled £485,132 (2024: £443,487) as shown in note 4. The consistent level of income this year continues to reflect the current economic climate and also the need to maintain a balance between income generation and capital growth.

During the year there was an overall increase of 7.1% (net) in the investment portfolio (2024: increase of 6.1%).

The yield on investments for the year was 2.43% (2024: 2.45%), which was in line with expectations given the general market performance.

## **FINANCIAL REVIEW**

#### **Financial Performance**

During the year ended 31st March 2025, a lower level of legacies received of £107,391 (2024 - £476,609) has led to a decrease in total income to £703,332 from £1,018,810 in 2024. This is comprised of donations and legacies of £218,200 (2024 - £575,323) and investment income of £485,132 (2024 - £443,487).

Total grants paid directly to priests decreased to £381,985 from £429,525 in the previous year and this contributed to a decrease in total expenditure from £530,029 to £479,731.

A surplus before investment gains of £223,601, down from £488,781 in 2024, has resulted.

Investment values have increased by £317,093, compared to an increase of £1,094,488 in the previous year and total funds have increased by £540,694 compared to an increase of £1,583,268 in 2024.

Total unrestricted funds as at 31st March 2025 were £20,407,851. Investments are maintained to provide current and future grants and are therefore not considered by the Trustees to be free reserves. The level of free reserves at 31st March 2025 was £940,727, down from £1,697,900 in the previous year.

## The Johnson or Secular Clergy Association of the Archdiocese of Birmingham

### Report of the Trustees for the Year Ended 31st March 2025

#### Going concern

The financial statements have been prepared on a going concern basis under the historical cost basis of accounting rules modified to account for investments at fair value. Each year the Trustees review the value of the investment portfolio in conjunction with the investment managers and the availability of cash in the short term to ensure the Charity is a going concern. At the time of signing these financial statements, the Trustees have considered the going concern position and consider that the Charity will be able to continue to operate for a period of at least 12 months from the date of signing these financial statements. The Charity has a strong cash position of £765,203 and net assets of £20.41m and on that basis, the Trustees have prepared these financial statements on a going concern basis.

#### Reserves policy

It is the policy of the Trustees to maintain free reserves of the charity at a level which equates to approximately eighteen to twenty-four months' grant payments, taking into consideration likely changes in the number of recipients and the level of grant paid.

Free reserves of £940,727 at 31st March 2025 (2024: £1,697,900) represents over 24 months' grant payments. Legacies will be allocated to investment funds in order to provide income in future years in accordance with the charity's objectives. The trustees continue to monitor the level of free reserves and believe that, based upon the current value of the investment portfolio, the Association will be able to fulfil its objectives in the short to medium term.

#### Banking Arrangements

During the financial year a new bank account was opened with the Co-operative Bank to function as the Bank Account for the newly created Johnson Clergy Association (Birmingham) CIO (see "plans for the future" below). A current account and savings account with reserves for grant payments for two years is maintained. The old bank accounts with the Co-operative Bank remain open until all the standing orders have been successfully transferred. Once this is done the old bank accounts will be closed.

#### PLANS FOR THE FUTURE

Our future objectives are to ensure that sufficient finances are in place to be able to continue to satisfy all successful applications for financial support. The number of Secular Clergy that we support has been growing each year as the number of those retired grows. We must endeavour to ensure that we maintain and improve the value of our investment portfolio to enable us to meet this demand for our resources.

The Trustees decided (with approval of all members at the AGM) to change our charity status to a Charitable Incorporated Organisation (CIO). This took place at the end of the financial year and all charitable activities were transferred to the Johnson Clergy Association (Birmingham) CIO, charity number 1207879 on 1<sup>st</sup> April 2025.

#### DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Approved by order of the members of the board of Trustees on 7th July 2025 and signed on their behalf by:



Rev J Batthula  
Trustee

**Independent Auditor's Report to the Trustees of  
The Johnson or Secular Clergy Association of the Archdiocese of Birmingham**

**Opinion**

We have audited the financial statements of The Johnson or Secular Clergy Association of the Archdiocese of Birmingham (the 'charity') for the year ended 31st March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows, Notes to the Statement of Cash Flows and 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 31st March 2025 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 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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 Auditors' 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.

**Independent Auditor's Report to the Trustees of  
The Johnson or Secular Clergy Association of the Archdiocese of Birmingham**

**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 requires 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;
- sufficient and proper accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns;
- 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 set out on page 3, the Trustees are responsible for the preparation of the financial statements and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

We have been appointed as auditor under section 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 Auditors' 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:

- obtaining an understanding of the legal and regulatory framework applicable to the Charity and how the Charity is complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- obtaining an understanding of the Charity's control environment and how the Charity has applied relevant control procedures, through discussions with Trustees and management and by performing walkthrough testing over key areas;
- obtaining an understanding of the Charity's risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year; and
- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of activities and reviewing accounting estimates for bias.

**Independent Auditor's Report to the Trustees of  
The Johnson or Secular Clergy Association of the Archdiocese of Birmingham**

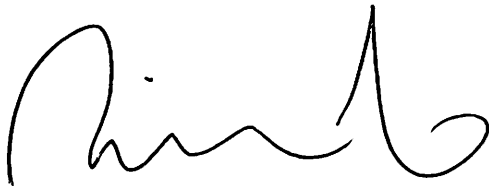
Whilst considering how our audit work addressed the detection of irregularities, we also considered the likelihood of detection based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

**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 its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



Rice & Co Limited  
Statutory Auditor  
14A Market Place  
Uttoxeter  
Staffordshire  
ST14 8HP

Date: 7th July 2025

Rice & Co Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

**The Johnson or Secular Clergy Association of the Archdiocese of Birmingham**

**Statement of Financial Activities  
for the Year Ended 31st March 2025**

	Note	Unrestricted Funds 2025 £	Total Funds 2025 £	Total Funds 2024 £
<b>Income:</b>				
Donations and legacies	3	218,200	218,200	575,323
Investments	4	485,132	485,132	443,487
<b>Total income</b>		<u>703,332</u>	<u>703,332</u>	<u>1,018,810</u>
<b>Expenditure:</b>				
Costs of raising funds	5	49,909	49,909	44,810
Charitable activities	6	392,775	392,775	443,018
Governance costs	7	37,047	37,047	42,201
<b>Total expenditure</b>		<u>479,731</u>	<u>479,731</u>	<u>530,029</u>
<b>Net income for the year</b>		223,601	223,601	488,781
<b>Net gains on investments</b>	10	317,093	317,093	1,094,487
<b>Net movement in funds</b>		540,694	540,694	1,583,268
Total funds brought forward		19,867,157	19,867,157	18,283,889
<b>Total funds carried forward</b>	16	<u>20,407,851</u>	<u>20,407,851</u>	<u>19,867,157</u>

The Statement of Financial Activities includes all gains and losses recognised in the year.

All incoming resources and resources expended derive from continuing activities.

The notes form part of these financial statements

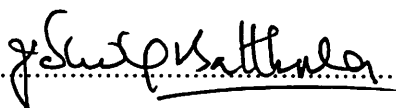
The Johnson or Secular Clergy Association of the Archdiocese of Birmingham

Balance Sheet as at 31st March 2025

	Note	2025		2024	
		£	£	£	£
<b>Fixed assets</b>					
Investments	10		19,467,124		18,169,257
<b>Current assets</b>					
Debtors	11	187,494		248,157	
Cash at bank and in hand	12	765,203		1,487,513	
			<u>952,697</u>		<u>1,735,670</u>
<b>Liabilities</b>					
Creditors: Amounts falling due within one year	13	<u>(11,970)</u>		<u>(37,770)</u>	
<b>Net current assets</b>			940,727		1,697,900
<b>Net assets</b>			<u>20,407,851</u>		<u>19,867,157</u>
<b>The funds of the charity</b>					
Unrestricted income funds	21		20,407,851		19,867,157
			<u>20,407,851</u>		<u>19,867,157</u>

Approved by the Board of Trustees on 7th July 2025

and signed on its behalf by

 ..... Rev J Batthula - Trustee

The notes form part of these financial statements

**The Johnson or Secular Clergy Association of the Archdiocese of Birmingham**

**Consolidated Statement of Cash Flows  
for the Year Ended 31st March 2025**

		2025		2024	
	Note	£	£	£	£
<b>Cash flows from operating activities</b>	1		(229,051)		17,242
<b>Cash flows from investing activities</b>					
Purchase of fixed asset investments		(2,850,435)		(2,143,994)	
Disposal of fixed asset investments		1,882,096		2,192,936	
Dividends and interest received from investments		<u>487,515</u>		<u>447,386</u>	
<b>Net cash provided by/(used in) investments</b>			(480,824)		496,328
<b>Change in cash and cash equivalents in the year</b>			<u>(709,875)</u>		<u>513,570</u>
Cash and cash equivalents at the beginning of the year	2		1,500,024		986,454
<b>Cash and cash equivalents at the end of the year</b>	2		<u><u>790,149</u></u>		<u><u>1,500,024</u></u>

The notes form part of these financial statements

**The Johnson or Secular Clergy Association of the Archdiocese of Birmingham**

**Notes to the Statement of Cash Flows  
for the Year Ended 31st March 2025**

**1 RECONCILIATION OF NET EXPENDITURE TO CASH GENERATED FROM OPERATIONS**

	2025	2024
	£	£
<b>Net cash inflow from operating activities</b>		
Net income	223,601	488,781
Investment income	(485,132)	(443,487)
Decrease/(increase) in prepayments and accrued income	58,280	(37,878)
Increase/(decrease) in accruals and deferred income	(25,800)	9,826
	(229,051)	17,242

**2 CASH AND CASH EQUIVALENTS**

	2025	2024
	£	£
<b>Included in the balance sheet as cash at bank and in hand:</b>		
Bank current accounts	256,981	1,149,863
Bank deposit accounts	464,296	-
Investment cash accounts	43,926	337,650
	765,203	1,487,513
<b>Included in the balance sheet as fixed asset investments:</b>		
Investment income accounts	24,946	12,511
	790,149	1,500,024

**3 ANALYSIS OF CHANGES IN NET DEBT**

	Balance at 01.04.2024	Cash flows	Balance at 31.03.2025
	£	£	£
Bank current accounts	1,149,863	(892,882)	256,981
Investment cash accounts	#####	(293,724)	43,926
Investment income accounts	12,511	12,435	24,946
	1,500,024	(1,174,171)	325,853

The notes form part of these financial statements

# **The Johnson or Secular Clergy Association of the Archdiocese of Birmingham**

## **Notes to the Financial Statements for the Year Ended 31st March 2025**

### **1 STATUTORY INFORMATION**

The Johnson or Secular Clergy Association of the Archdiocese of Birmingham is registered with the Charity Commission (Registration Number 238681). The charity constitutes a public benefit entity as defined by FRS 102.

The presentation currency of the financial statements is the Pound Sterling (£).

### **2 ACCOUNTING POLICIES**

#### **Basis of preparing the financial statements**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2019) - Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

#### **Going concern**

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The trustees have made this assessment in respect of a period of one year from the date of approval of the financial statements and consider that no such material uncertainties exist.

#### **Income**

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Donations are recognised in the Statement of Financial Activities when the charity has been notified of the amount and the settlement date. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

Legacies are recognised in the Statement of Financial Activities when the charity has been notified of an impending distribution or the legacy has been received. Where the charity has been notified of a forthcoming legacy, but the amount and timing of receipt is not known, it is not recognised in the Statement of Financial Activities but is included as a contingent asset and disclosed in the notes to the financial statements.

Investment income is earned through holding assets for investment purposes and is included in the Statement of Financial Activities when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend income is recognised as the charity's right to receive payment is established.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

#### **Expenditure**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured

**The Johnson or Secular Clergy Association of the Archdiocese of Birmingham**

**Notes to the Financial Statements  
for the Year Ended 31st March 2025**

**2 ACCOUNTING POLICIES (continued)**

**Expenditure (continued)**

Resources expended have been allocated in the Statement of Financial Activities as follows:

Costs of raising funds - fees paid to the charity's investment managers.

Charitable activities - all expenditure directly and indirectly associated with meeting the objectives of the charity, including financial support provided.

Governance costs - all expenditure relating directly or indirectly to the general running of the charity.

Grants payable to third parties are within the charitable objectives and are paid to provide financial support for a period of time. Grants are recognised in the Statement of Financial Activities evenly over the period to which they relate.

Support costs include all overheads of the charity. These have been allocated to costs of raising funds, charitable activities and governance costs on a basis consistent with the use of the resources.

**Investments**

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

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

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

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

Investments are stated at market value as at the balance sheet date. The statement of financial activities includes the net gains and losses arising on the revaluation and disposals throughout the year.

**Debtors and creditors**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

**Cash at bank and in hand**

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

Cash held within a portfolio of fixed asset investments is included as part of fixed asset investments where it is intended that this cash will be utilised for ongoing investment activities. Cash held within a portfolio of fixed asset investments which is not intended to be utilised for ongoing investment activities is included as cash at bank and in hand.

# The Johnson or Secular Clergy Association of the Archdiocese of Birmingham

## Notes to the Financial Statements for the Year Ended 31st March 2025

### 2 ACCOUNTING POLICIES (continued)

#### Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

#### Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

#### Fund accounting

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 comprise unrestricted funds that have been set aside by the Trustees for particular purposes.

#### Taxation

The charity is a charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

### 3 INCOME FROM DONATIONS AND LEGACIES

	Unrestricted Funds	Total 2025	Total 2024
	£	£	£
Appeals - November collection	44,491	44,491	39,905
Parish levy	48,000	48,000	46,800
Donations	18,318	18,318	12,009
Legacies	107,391	107,391	476,609
	<u>218,200</u>	<u>218,200</u>	<u>575,323</u>

### 4 INCOME FROM INVESTMENTS

	Unrestricted Funds	Total 2025	Total 2024
	£	£	£
Income from listed investments	473,705	473,705	442,019
Bank interest	11,427	11,427	1,468
	<u>485,132</u>	<u>485,132</u>	<u>443,487</u>

The Johnson or Secular Clergy Association of the Archdiocese of Birmingham

Notes to the Financial Statements  
for the Year Ended 31st March 2025

5 COSTS OF RAISING FUNDS

	Unrestricted Funds	Total 2025	Total 2024
	£	£	£
Investment management fees	49,909	49,909	44,810

6 EXPENDITURE ON CHARITABLE ACTIVITIES

	2025			2024	
	Grants Paid £	Support Costs £	Unrestricted Funds £	Total £	Total £
Grantmaking	381,985	10,790	392,775	392,775	443,018

7 ALLOCATION OF SUPPORT COSTS

	2025			2024	
	Grantmaking £	Governance Costs £	Unrestricted Funds £	Total £	Total £
Legal and professional fees	5,815	17,446	23,261	23,261	34,118
Bank charges	-	-	-	-	66
Trustee meeting costs	-	1,108	1,108	1,108	315
Audit	-	11,970	11,970	11,970	11,400
Bookkeeping	-	1,548	1,548	1,548	-
Honoraria	3,000	3,000	6,000	6,000	7,500
Sundry expenses	1,975	1,975	3,950	3,950	2,295
	<u>10,790</u>	<u>37,047</u>	<u>47,837</u>	<u>47,837</u>	<u>55,694</u>

8 STAFF NUMBERS AND COSTS

The average number of employees during the year was nil (2024 - nil).

During the financial year, the following honoraria were paid:

	Unrestricted Funds	Total 2025	Total 2024
	£	£	£
Rev P Fitzpatrick	-	-	1,500
Rev J Gilbert	3,000	3,000	3,000
Rev D Doran	3,000	3,000	3,000
	<u>6,000</u>	<u>6,000</u>	<u>7,500</u>

The Association is grateful for the valuable support of volunteer workers engaged in various fundraising activities. No Trustee received any remuneration, benefits or expenses payments during the financial year (2024 - £nil).

**The Johnson or Secular Clergy Association of the Archdiocese of Birmingham**

**Notes to the Financial Statements  
for the Year Ended 31st March 2025**

**9 AUDITORS REMUNERATION**

	2025	2024
	£	£
Fees payable to the Charity's auditor for the audit of the financial statements	11,970	11,400

**10 FIXED ASSET INVESTMENTS**

	£
<b>Cost or valuation</b>	
At 1st April 2024	18,169,257
Additions	2,850,435
Disposals	(1,882,096)
Revaluations	317,093
Movement in cash	12,435
At 31st March 2025	19,467,124

All the fixed asset investments are in listed investments and held in the UK.

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

The historical cost of investments at 31st March 2025 was £12,877,379 (2024: £11,318,667).

**11 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2025	2024
	£	£
Prepayments and accrued income	187,494	248,157

**12 CASH AT BANK**

	2025	2024
	£	£
Bank current accounts	256,981	1,149,863
Bank deposit accounts	464,296	-
Investment cash accounts	43,926	337,650
	765,203	1,487,513

**The Johnson or Secular Clergy Association of the Archdiocese of Birmingham**

**Notes to the Financial Statements  
for the Year Ended 31st March 2025**

**13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<u>2025</u>	<u>2024</u>
	£	£
Accruals for grants payable	-	15,084
Other accruals and deferred income	11,970	22,686
	<u>11,970</u>	<u>37,770</u>

**14 CONTINGENT ASSETS**

The charity has been made aware of a number of legacies that it is likely to receive. The amount and timing of these receipts is uncertain but they are prudently estimated to amount to £300,000.

**15 TAXATION**

No taxation is payable for the current or previous financial year as all surpluses arise from activities furthering the charitable objects of the charity and are utilised for charitable purposes, therefore leading to exemption from taxation.

**16 UNRESTRICTED INCOME FUNDS**

	<u>2025</u>	<u>2024</u>
	£	£
Balance at start of year	19,867,157	18,283,889
Net income for the year	223,601	488,781
Net gains/(losses) on investments in year	317,093	1,094,487
	<u>20,407,851</u>	<u>19,867,157</u>

**17 ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS**

	<u>2025</u>		<u>2024</u>
	<u>Unrestricted Funds</u>	<u>Total funds</u>	<u>Total Funds</u>
	£	£	£
Fixed asset investments	19,467,124	19,467,124	18,169,257
Current assets	952,697	952,697	1,735,670
Creditors due within one year	(11,970)	(11,970)	(37,770)
	<u>20,407,851</u>	<u>20,407,851</u>	<u>19,867,157</u>

**18 RELATED PARTY TRANSACTIONS**

The Charity has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Charity at 31st March 2025.

**THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM**

England & Wales - Charity number 238681

---

# Accounts

---

**The Johnson or Secular Clergy Association  
of the Archdiocese of Birmingham**

**Report of the Trustees and Financial Statements**

**for the Year Ended**

**31st March 2024**

**The Johnson or Secular Clergy Association of the Archdiocese of Birmingham**

**Contents of the Financial Statements  
for the Year Ended 31st March 2024**

	<b>Page</b>
Report of the Trustees	1
Report of the Independent Auditors	8
Statement of Financial Activities	11
Balance Sheet	12
Statement of Cash Flows	13
Notes to the Statement of Cash Flows	14
Notes to the Financial Statements	15

# The Johnson or Secular Clergy Association of the Archdiocese of Birmingham

## Report of the Trustees for the Year Ended 31st March 2024

The Trustees present their annual report together with the audited financial statements of the Charity for the year ended 31st March 2024.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (effective 1<sup>st</sup> January 2019).

### REFERENCE AND ADMINISTRATIVE INFORMATION

<b>Name:</b>	The Johnson or Secular Clergy Association of the Archdiocese of Birmingham
<b>Registered Charity Number:</b>	238681
<b>Principal Office:</b>	17 Birch Green Grove Stoke-on-Trent Staffordshire ST1 6RD
<b>Trustees</b>	Rev G Murray - Chair Rev J Batthula - appointed 3 <sup>rd</sup> July 2023 Mrs P Deeley Rev M Dolman - resigned 3 <sup>rd</sup> July 2023 Rev D Doran - resigned 3 <sup>rd</sup> July 2023 Rev D Hartley Rev P Madden
<b>Administrator:</b>	Canon P Fitzpatrick - resigned 3 <sup>rd</sup> July 2023 Rev D Doran - appointed 3 <sup>rd</sup> July 2023
<b>Secretary:</b>	Canon J Gilbert
<b>Auditors:</b>	Rice & Co Limited Chartered Accountants Statutory Auditors 14a Market Place Uttoxeter Staffordshire ST14 8HP
<b>Bankers:</b>	The Co-operative Bank 1 Balloon Street Manchester M4 4BE
<b>Solicitors:</b>	Lodders LLP Number Ten Elm Court Arden Street Stratford Upon Avon Warwickshire CV37 6PA
<b>Investment Managers:</b>	Quilter Cheviot Senator House 85 Queen Victoria Street London EC4V 4AB

## The Johnson or Secular Clergy Association of the Archdiocese of Birmingham

### Report of the Trustees for the Year Ended 31st March 2024

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### Constitution

The Johnson or Secular Clergy Association of the Archdiocese of Birmingham (“The Johnson Association”) is an unincorporated association registered with the Charity Commission, registration number 238681, and acts independently of any other charity.

The Association is governed by the rules adopted as its constitution on 29 November 2000 and amended on 14th July 2010, 13th July 2011, 11th July 2012, 11th July 2013, 2nd July 2018, 7th October 2020, 5th July 2021 and 4th July 2022.

##### Trustees and meetings

The Body of Trustees consists of five persons elected by the Members at the Annual General Meeting. Each year one fifth of the trustees will retire. The Trustees to retire will be those who have been longest in office since they were last elected. New trustees may be nominated by any member, the board of advisors, or the Trustees, and will be elected by the members at the AGM. However, no person shall be eligible for election onto the Body of Trustees if at the date of the Annual General Meeting from which if elected he will hold office, or the date of the Trustees’ Meeting at which he is co-opted, he will have served ten consecutive years as a Trustee.

Trustees meet quarterly and give their time freely, with no trustee remuneration or expenses paid. Honoraria are paid to the Administrator and Secretary, who are not Trustees. Trustees are required to disclose all relevant interests or activity with another charitable trust, a declaration of interests is signed at every Trustee Meeting.

The Chair of the Trustees is appointed by the Trustees immediately following the Annual General Meeting and is a trustee ex officio. The Chair of Trustees’ holds office for three years, after which they may be appointed for a second term of office but after the expiry of such second term will not be eligible for appointment as the Chair.

At Trustees meetings, the Trustees have agreed that areas of Governance and activity should be organised in a systematic manner. At each of the quarterly meetings the Trustees give due consideration to the application for discretionary grants. The day to day administration of grants and the processing and handling of applications prior to consideration by the Trustees is delegated to the Administrator.

At Trustees meetings during the year, there is a focus on Trustee training. This serves as training for the newly appointed trustees and an annual update for all of the Trustees and their delegates. The Autumn Trustees Meeting usually also has an induction training session for new Trustees. Previous Trustee training highlighted that greater diversity would be valuable for our organisation. The Trustees addressed this issue, in recent years, and are aware of it for future Trustee appointments.

This year the Trustees reviewed the Constitution to ensure that they were familiar with its principles and content.

In particular the Trustees received training in the following areas:

- Fundraising and the Fundraising Regulator/ Fundraising Code.
- “The Board” - and the changes proposed in relation to the operation of this.
- Charity Governance Code.
- General training and especially the Short Guides referred to in the Welcome Pack issued by the Charity Commission - with a focus on conflicts of interest, decision taking and the objects of the charity.
- The changes to the Charities Act 2022 which is being phased in at present.

Finally, as referred to below, there was a focus on the grant-making policy and procedure to ensure that it is up to date. See further below.

At the first meeting of the calendar year, the Trustees undertake an annual financial review updating their financial policy and risk management. The Trustees, together with the Association’s Investment Managers – Quilter Cheviot - ensure that the level of financial risk is effectively managed to enable the trustees to forecast and provide the funds available to support those Secular Clergy to whom it offers a discretionary grant, while ensuring that the long-term investment policy is upheld.

## The Johnson or Secular Clergy Association of the Archdiocese of Birmingham

### Report of the Trustees for the Year Ended 31st March 2024

At our January Trustees meeting we discussed Responsible Investment - defined as:

*'A strategy and practice to incorporate environmental, social and governance (ESG) factors in investment decisions and active ownership'.*

ESG = Environmental, Social and Governance has further sub-headings in each category.

Quilter Cheviot and other Investment Companies are now required to discuss Responsible Investment with their clients and to log and document this discussion.

Quilter Cheviot works in dialogue with those companies in which it invests, which in turn (it is hoped) leads to positive change.

Quilter Cheviot has an engagement policy – “We vote and engage with companies”.

The Trustees agreed that Responsible and Sustainable Investment should be a part of the broader Financial Policy which would be discussed at the first meeting of each year.

Subsequently the following statement was agreed which will form the basis of a draft ‘policy for investment’:

*In principle the Board wish to be responsible investors. Environmental, social and governance (ESG) criteria are a set of standards that socially conscious investors, such as a charity, consider when reviewing their investments. Environmental criteria consider how a charity performs as a steward of nature. Social criteria examine how it manages relationships with employees, suppliers, customers, and the communities where it operates. Governance deals with a charity's leadership, executive pay, audits, internal controls, and shareholder rights. Therefore, the investment managers are encouraged to take account of ESG issues in their investment analysis and decision-making processes and engage with charity management when appropriate.*

During the year, the Trustees undertook a review of all of the policies and procedures of the Board of Advisors to the Trustees. The review took place with each Trustee looking at one policy each and then presenting their review and considerations for all the Trustees to make their contributions – various changes were made to policies, errors and typos corrected and updated and agreed by all Trustees.

The Annual General Meeting takes place in July. Each of the members are invited to attend. The AGM accepts the resignation of one fifth of the Trustee body and elects a new trustee. The AGM discusses those matters proposed by the Trustees, or Board of Advisors, as well as any matter proposed by a member. The Trustees' Report and Financial Statement are agreed, and any other business as required, e.g. the appointment of Auditors and Accountants, as well as the appointment of an Administrator and Secretary.

#### **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 period which give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities Statement of Recommended Practice (SORP 2019);
- make judgments and accounting 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 financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and 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 Charities (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.

## The Johnson or Secular Clergy Association of the Archdiocese of Birmingham

### Report of the Trustees for the Year Ended 31st March 2024

#### The Board of Advisers to the Trustees (Deanery Reps)

The Board of Advisers to the Trustees are the clergy representatives elected by their Deanery to represent the Members of the Deanery and keep the trustees informed as to the physical wellbeing of the members. They are elected, also, to advise the trustees in matters relating to the Association, advice which the trustees must listen to.

The following representatives served during the year:

Rev K Hooper	Rev B Devanney	Rev C Rogerson	Rev J Green
Rev A Foster	Rev S Pimlott	Rev L Nguyen	Rev T Norton
Rev M Egawhary	Rev P Wheildon	Rev D Lamb	

#### Day-to-day operations

Responsibility for day-to day affairs of the Association has been delegated to the administrator and secretary.

#### Associated company

The Johnson or Secular Clergy Association of the Archdiocese of Birmingham has an associated Trust Company - The Johnson Trust Corporation Limited (company number 8287813) which holds any real property as custodian trustee of The Association. The registered office is 17 Birch Green Grove, Stoke-on-Trent, Staffordshire ST1 6RD. The Johnson Trust Corporation Limited has been dormant throughout the current and previous financial years.

#### Risk management

The Trustees of the Johnson Association review and update their Risk Register every six months and having reviewed those risks they have established systems and procedures to manage those risks. Usually this is an exercise in planning for the worst-case scenario. Reviewing the Risk Register proved to be robust and has served us well.

The Trustees consider the variability of investment returns upon their investment portfolio as a significant financial risk. They are also aware that, in common with society in general, the Secular Clergy are, as a whole, older than they were and living longer. Therefore, it is probable that the financial demands upon the charity will increase at a time when volatility in world markets seems higher.

Following a completion of a survey of the Secular Clergy based on their current age, (which has enabled them to produce a detailed forecast of the numbers of Secular Clergy who will retire each year for the next twenty five years), the Trustees are equipped to make decisions on a long-term basis, as well as continuing provision for the additional numbers of Secular Clergy retiring and future demands upon the Charity.

With the increasing uncertainty in financial markets, the Trustees in consultation with their Investment Managers, undertook a thorough financial review and agreed the level of financial risk they were willing to accept. The trustees agreed to keep the current risk status as 'Medium'.

## OBJECTIVES AND ACTIVITIES

### Objectives

The Johnson Association's objective is the support of the Secular Clergy of the Archdiocese, who, on account of age or infirmity, are no longer able to continue their parochial work and to support priests who are suffering temporary illness.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Association's objectives and in planning future activities and considering the grant making policy.

### Activity

The Johnson Association achieves its objective by:

- Providing discretionary grants to priests who, through old age or infirmity are no longer able to work.
- Providing discretionary grants in aid of priests who are on the active list, but who are incapacitated by serious illness for a period longer than a month.

**The Johnson or Secular Clergy Association of the Archdiocese of Birmingham**

**Report of the Trustees for the Year Ended 31st March 2024**

**Grant Making Policy**

It is through the provision of discretionary grants that the Johnson Association seeks to fulfil its objective to support the Secular Clergy of the Archdiocese, who, on account of age or infirmity, are no longer able to continue their parochial work and to support priests who are suffering temporary illness.

The review and governance of the grant making policy is an important priority for the Trustees. Following confirmation from the Archdiocese that a Priest has retired, the retired priest may apply for a discretionary grant. It is expected that the applicant's financial arrangements are disclosed in full, and that any major financial matters are detailed, e.g. the lack of a full pension, financial demands as a result of full-time nursing care, savings and investments, private income. The Trustees also ensure that the applicant has upheld the requirements and obligations of the Association.

The application is scrutinised by the Trustees and a judgement is made on the awarding of a grant, either in full or in part, depending upon the individual's circumstances. The Trustees do not have a single figure for every case, but rather prioritise their attention and support on those whose need is greatest, within an agreed range.

The Trustees review each grant offered to the recipients if their circumstances have changed.

**Main activities undertaken to further the Charity's purposes for the public benefit**

When planning the grant making activity of the Association the trustees have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the relief of poverty and they have also had regard to the specific guidance on charities for the advancement of religion.

The Association makes grants principally to retired clergy. Such financial assistance is needed to assist retired clergy towards maintaining their standard of living during retirement. The making of grants depends on the circumstances of the recipient.

The clergy are valued members of society: building and strengthening communities, supporting the dying and bereaved, ministering to the sick at home and in hospital, caring for the poor and marginalised, visiting those in prison and providing spiritual and moral education for children.

**Review of activities**

During the year the Association has continued to focus on its core activities of raising funds to provide financial assistance to retired and incapacitated priests. Income is received from a levy paid by the parishes of the Archdiocese of Birmingham together with an annual second collection in Churches within the area. This is supplemented by general donations, legacies and income received from our investments which are carefully monitored by our investment managers Quilter Cheviot.

The Trustees monitor their achievement and performance in their ability to care and support growing numbers of Secular Clergy who rely on the Association's provision today and in the future, while keeping an appropriate balance between current funding and financial provision for future generations.

Number of Secular Clergy Supported:

2019	2020	2021	2022	2023	2024
66	58	65	56	57	61

**Fundraising activities and income generation**

The Association raises funds through an annual second collection in the Churches of the Archdiocese of Birmingham. Donations are also made through Standing Order payments and through the Association's website. There were no complaints received by the Association about activities by the Association or by a person on behalf of the Association for the purpose of fundraising. The Association has taken measures to protect vulnerable people and other members of the public from the following behaviours in the course of or in connection with fundraising activities:

- Unreasonable intrusion on a person's privacy.
- Unreasonable persistent approaches for the purpose of soliciting or otherwise procuring money or other property on behalf of the charity.
- Placing undue pressure on a person to give money or other property.

## The Johnson or Secular Clergy Association of the Archdiocese of Birmingham

### Report of the Trustees for the Year Ended 31st March 2024

#### Investment policy and performance

The core of the Association's income is derived from donations and legacies, which by their nature are subject to fluctuations. To sustain a level of income sufficient to meet demands on its resources, the Association requires a significant capital base and the trustees have maintained an active investment policy to provide a degree of stability and certainty in income levels.

The aim is to maintain and, if possible, increase the real value of the monies invested. In doing this, sufficient income should be generated to supplement the core income and provide the annual funds needed to meet the objectives of the Association. The Charity regularly reinvests any surplus it receives (usually from bequests) into its portfolio, to ensure that its investments are secure and growing, and its dividends are sufficient to cover the expected increase in future grant applications.

Investments held by the Association, which are shown at notes 10 of the accounts, were acquired in accordance with the powers available to the trustees and the Trustee Act 2000.

The Charity's investment managers, Quilter Cheviot, are instructed to generate a balance between capital growth and income, provided that the gross income each year exceeds a minimum of £175,000. Investment income for the year totalled £443,487 (2023: £341,759) as shown in note 4. The consistent level of income this year continues to reflect the current economic climate and also the need to maintain a balance between income generation and capital growth.

During the year there was an overall increase of 7.91% (net) in the investment portfolio (2023: decrease of 4.9%).

The yield on investments for the year was 2.22% (2023: 1.98%) which was in line with expectations given the general market performance.

#### FINANCIAL REVIEW

##### Financial Performance

During the year ended 31st March 2024, a higher level of legacies received of £476,609 (2023 - £29,911) has led to an increase in total income to £1,018,810 from £477,126 in 2023. This is comprised of donations and legacies of £575,323 (2023 - £135,367) and investment income of £443,487 (2023 - £341,759).

Total grants paid directly to priests increased to £429,525 from £384,443 in the previous year and this contributed to an increase in total expenditure from £462,232 to £530,029.

A surplus before investment gains of £488,781, up from £14,894 in 2023, has resulted.

Investment values have increased by £1,094,487, more than recovering the losses of £978,293 in the previous year. Leading to an increase in total funds of £1,583,268 compared to a decrease of £963,399 in 2023.

Total unrestricted funds as at 31st March 2024 were £19,867,157. Investments are maintained to provide current and future grants and are therefore not considered by the Trustees to be free reserves. The level of free reserves at 31st March 2024 was £1,697,900, up from £1,166,915 in the previous year.

##### Going concern

The financial statements have been prepared on a going concern basis under the historical cost basis of accounting rules modified to account for investments at fair value. Each year the Trustees review the value of the investment portfolio in conjunction with the investment managers and the availability of cash in the short term to ensure the Charity is a going concern. At the time of signing these financial statements, the Trustees have considered the going concern position and consider that the Charity will be able to continue to operate for a period of at least 12 months from the date of signing these financial statements. The Charity has a strong cash position of £1,487,513 and net assets of £19.87m and on that basis, the Trustees have prepared these financial statements on a going concern basis.

## The Johnson or Secular Clergy Association of the Archdiocese of Birmingham

### Report of the Trustees for the Year Ended 31st March 2024

#### Reserves policy

It is the policy of the Trustees to maintain free reserves of the charity at a level which equates to approximately eighteen to twenty-four months' grant payments, taking into consideration likely changes in the number of recipients and the level of grant paid.

Free reserves of £1,697,900 at 31st March 2024 (2022: £1,166,915) represents over 24 months' grant payments; this is partly due to the receipt of substantial legacies in 2023/24. Legacies will be allocated to investment funds in order to provide income in future years in accordance with the charity's objectives. The trustees continue to monitor the level of free reserves and believe that, based upon the current value of the investment portfolio, the Association will be able to fulfil its objectives in the short to medium term.

#### Banking Arrangements

This year there have been significant challenges with our banking arrangements, due to the decision during 2022/23 by AiB GB, to withdraw from the UK market. Following a healthy forty-year relationship with our bank, it came as a considerable shock to the Trustees to learn that AiB GB was unilaterally withdrawing from the UK market, and that we would have to find another bank. After many problems, we were finally able to open an account with The Co-Operative Bank in April 2023.

#### PLANS FOR THE FUTURE

Our future objectives are to ensure that sufficient finances are in place to be able to continue to satisfy all successful applications for financial support. The number of Secular Clergy that we support has been growing each year as the number of those retired grows. We must endeavour to ensure that we maintain and improve the value of our investment portfolio to enable us to meet this demand for our resources.

Having reflected carefully upon our banking experience and the lessons we can learn from this experience, the Trustees have decided (with approval of all members at the AGM) to change our charity status to a Charitable Incorporated Organisation (CIO). This is a significant change in our legal status but would be easier to encourage new Trustees to join the charity, and would be welcomed by institutions, such as a Bank. This change will hopefully take place during 2024/25 once all the legal paperwork and approvals have been granted – and another “new” bank account sourced.

The Trustees discussed the need for an independent financial secretary to be appointed to keep the day-to-day accounts. An appointment has been made and their responsibilities started in the new financial year in April 2024.

#### DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Approved by order of the members of the board of Trustees on 8th July 2024 and signed on their behalf by:



Rev G Murray  
Trustee

**Independent Auditor's Report to the Trustees of  
The Johnson or Secular Clergy Association of the Archdiocese of Birmingham**

**Opinion**

We have audited the financial statements of The Johnson or Secular Clergy Association of the Archdiocese of Birmingham (the 'charity') for the year ended 31st March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows, Notes to the Statement of Cash Flows and 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 31st March 2024 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 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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 Auditors' 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.

**Independent Auditor's Report to the Trustees of  
The Johnson or Secular Clergy Association of the Archdiocese of Birmingham**

**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 requires 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;
- sufficient and proper accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns;
- 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 set out on page 3, the Trustees are responsible for the preparation of the financial statements and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

We have been appointed as auditor under section 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 Auditors' 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:

- obtaining an understanding of the legal and regulatory framework applicable to the Charity and how the Charity is complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- obtaining an understanding of the Charity's control environment and how the Charity has applied relevant control procedures, through discussions with Trustees and management and by performing walkthrough testing over key areas;
- obtaining an understanding of the Charity's risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year; and
- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of activities and reviewing accounting estimates for bias.

**Independent Auditor's Report to the Trustees of  
The Johnson or Secular Clergy Association of the Archdiocese of Birmingham**

Whilst considering how our audit work addressed the detection of irregularities, we also considered the likelihood of detection based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

**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 its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



Rice & Co Limited  
Statutory Auditor  
14A Market Place  
Uttoxeter  
Staffordshire  
ST14 8HP

Date: 8th July 2024

Rice & Co Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

**The Johnson or Secular Clergy Association of the Archdiocese of Birmingham**

**Statement of Financial Activities  
for the Year Ended 31st March 2024**

	Note	Unrestricted Funds 2024 £	Total Funds 2024 £	Total Funds 2023 £
<b>Income:</b>				
Donations and legacies	3	575,323	575,323	135,367
Investments	4	443,487	443,487	341,759
<b>Total income</b>		<u>1,018,810</u>	<u>1,018,810</u>	<u>477,126</u>
<b>Expenditure:</b>				
Costs of raising funds	5	44,810	44,810	45,507
Charitable activities	6	443,018	443,018	416,725
Governance costs	7	42,201	42,201	-
<b>Total expenditure</b>		<u>530,029</u>	<u>530,029</u>	<u>462,232</u>
<b>Net income for the year</b>		488,781	488,781	14,894
<b>Net gains on investments</b>	10	1,094,487	1,094,487	(978,293)
<b>Net movement in funds</b>		1,583,268	1,583,268	(963,399)
Total funds brought forward		18,283,889	18,283,889	19,247,288
<b>Total funds carried forward</b>	16	<u>19,867,157</u>	<u>19,867,157</u>	<u>18,283,889</u>

The Statement of Financial Activities includes all gains and losses recognised in the year.

All incoming resources and resources expended derive from continuing activities.

The notes form part of these financial statements

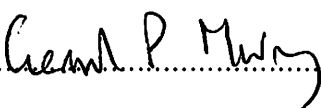
**The Johnson or Secular Clergy Association of the Archdiocese of Birmingham**

**Balance Sheet as at 31st March 2024**

	Note	2024		2023	
		£	£	£	£
<b>Fixed assets</b>					
Investments	10		18,169,257		17,116,974
<b>Current assets</b>					
Debtors	11	248,157		214,165	
Cash at bank and in hand	12	1,487,513		980,694	
			<u>1,735,670</u>		<u>1,194,859</u>
<b>Liabilities</b>					
Creditors: Amounts falling due within one year	13		<u>(37,770)</u>		<u>(27,944)</u>
<b>Net current assets</b>			1,697,900		1,166,915
<b>Net assets</b>			<u>19,867,157</u>		<u>18,283,889</u>
<b>The funds of the charity</b>					
Unrestricted income funds	21		19,867,157		18,283,889
			<u>19,867,157</u>		<u>18,283,889</u>

Approved by the Board of Trustees on 8th July 2024

and signed on its behalf by

.....  ..... Rev G Murray - Trustee

The notes form part of these financial statements

**The Johnson or Secular Clergy Association of the Archdiocese of Birmingham**

**Consolidated Statement of Cash Flows  
for the Year Ended 31st March 2024**

		2024		2023	
	Note	£	£	£	£
<b>Cash flows from operating activities</b>	1		17,242		(387,269)
<b>Cash flows from investing activities</b>					
Purchase of fixed asset investments		(2,143,994)		(2,023,980)	
Disposal of fixed asset investments		2,192,936		1,928,480	
Dividends and interest received from investments		447,386		360,325	
		496,328		264,825	
<b>Net cash provided by/(used in) investments</b>			496,328		264,825
<b>Change in cash and cash equivalents in the year</b>			513,570		(122,444)
Cash and cash equivalents at the beginning of the year	2		986,454		1,108,898
<b>Cash and cash equivalents at the end of the year</b>	2		1,500,024		986,454

The notes form part of these financial statements

**The Johnson or Secular Clergy Association of the Archdiocese of Birmingham**

**Notes to the Statement of Cash Flows  
for the Year Ended 31st March 2024**

**1 RECONCILIATION OF NET EXPENDITURE TO CASH GENERATED FROM OPERATIONS**

	2024	2023
	£	£
<b>Net cash inflow from operating activities</b>		
Net income	488,781	14,894
Investment income	(443,487)	(341,759)
Decrease/(increase) in prepayments and accrued income	(37,878)	(65,050)
Increase/(decrease) in accruals and deferred income	9,826	4,646
	17,242	(387,269)

**2 CASH AND CASH EQUIVALENTS**

	2024	2023
	£	£
<b>Included in the balance sheet as cash at bank and in hand:</b>		
Bank current accounts	1,149,863	980,694
Investment cash accounts	337,650	-
	1,487,513	980,694
<b>Included in the balance sheet as fixed asset investments:</b>		
Investment income accounts	12,511	5,760
	1,500,024	986,454

**3 ANALYSIS OF CHANGES IN NET DEBT**

	Balance at 01.04.2023	Cash flows	Balance at 31.03.2024
	£	£	£
Bank current accounts	980,694	169,169	1,149,863
Investment cash accounts	-	337,650	337,650
Investment income accounts	5,760	6,751	12,511
	986,454	513,570	1,500,024

The notes form part of these financial statements

# **The Johnson or Secular Clergy Association of the Archdiocese of Birmingham**

## **Notes to the Financial Statements for the Year Ended 31st March 2024**

### **1 STATUTORY INFORMATION**

The Johnson or Secular Clergy Association of the Archdiocese of Birmingham is registered with the Charity Commission (Registration Number 238681). The charity constitutes a public benefit entity as defined by FRS 102.

The presentation currency of the financial statements is the Pound Sterling (£).

### **2 ACCOUNTING POLICIES**

#### **Basis of preparing the financial statements**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2019) - Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

#### **Going concern**

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The trustees have made this assessment in respect of a period of one year from the date of approval of the financial statements and consider that no such material uncertainties exist.

#### **Income**

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Donations are recognised in the Statement of Financial Activities when the charity has been notified of the amount and the settlement date. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

Legacies are recognised in the Statement of Financial Activities when the charity has been notified of an impending distribution or the legacy has been received. Where the charity has been notified of a forthcoming legacy, but the amount and timing of receipt is not known, it is not recognised in the Statement of Financial Activities but is included as a contingent asset and disclosed in the notes to the financial statements.

Investment income is earned through holding assets for investment purposes and is included in the Statement of Financial Activities when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend income is recognised as the charity's right to receive payment is established.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

#### **Expenditure**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured

## **The Johnson or Secular Clergy Association of the Archdiocese of Birmingham**

### **Notes to the Financial Statements for the Year Ended 31st March 2024**

#### **2 ACCOUNTING POLICIES (continued)**

##### **Expenditure (continued)**

Resources expended have been allocated in the Statement of Financial Activities as follows:

Costs of raising funds - fees paid to the charity's investment managers.

Charitable activities - all expenditure directly and indirectly associated with meeting the objectives of the charity, including financial support provided.

Governance costs - all expenditure relating directly or indirectly to the general running of the charity.

Grants payable to third parties are within the charitable objectives and are paid to provide financial support for a period of time. Grants are recognised in the Statement of Financial Activities evenly over the period to which they relate.

Support costs include all overheads of the charity. These have been allocated to costs of raising funds, charitable activities and governance costs on a basis consistent with the use of the resources.

##### **Investments**

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

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

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

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

Investments are stated at market value as at the balance sheet date. The statement of financial activities includes the net gains and losses arising on the revaluation and disposals throughout the year.

##### **Debtors and creditors**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

##### **Cash at bank and in hand**

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

Cash held within a portfolio of fixed asset investments is included as part of fixed asset investments where it is intended that this cash will be utilised for ongoing investment activities. Cash held within a portfolio of fixed asset investments which is not intended to be utilised for ongoing investment activities is included as cash at bank and in hand.

# The Johnson or Secular Clergy Association of the Archdiocese of Birmingham

## Notes to the Financial Statements for the Year Ended 31st March 2024

### 2 ACCOUNTING POLICIES (continued)

#### Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

#### Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortized cost using the effective interest method.

#### Fund accounting

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 comprise unrestricted funds that have been set aside by the Trustees for particular purposes.

#### Taxation

The charity is a charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

### 3 INCOME FROM DONATIONS AND LEGACIES

	Unrestricted Funds £	Total 2024 £	Total 2023 £
Appeals - November collection	39,905	39,905	41,259
Parish levy	46,800	46,800	49,600
Donations	12,009	12,009	14,597
Legacies	476,609	476,609	29,911
	<u>575,323</u>	<u>575,323</u>	<u>135,367</u>

### 4 INCOME FROM INVESTMENTS

	Unrestricted Funds £	Total 2024 £	Total 2023 £
Income from listed investments	442,019	442,019	338,247
Bank interest	1,468	1,468	3,512
	<u>443,487</u>	<u>443,487</u>	<u>341,759</u>

**The Johnson or Secular Clergy Association of the Archdiocese of Birmingham**

**Notes to the Financial Statements  
for the Year Ended 31st March 2024**

**5 COSTS OF RAISING FUNDS**

	Unrestricted Funds £	Total 2024 £	Total 2023 £
Investment management fees	44,810	44,810	45,507

**6 EXPENDITURE ON CHARITABLE ACTIVITIES**

	2024			2023
	Grants Paid £	Support Costs £	Unrestricted Funds £	Total £
Grantmaking	429,525	13,493	443,018	416,725

**7 ALLOCATION OF SUPPORT COSTS**

	2024				2023
	Grantmaking £	Governance Costs £	Unrestricted Funds £	Total £	Total £
Legal and professional fees	8,529	25,589	34,118	34,118	4,570
Bank charges	66	-	66	66	1,987.00
Trustee meeting costs	-	315	315	315	1,225
Audit	-	11,400	11,400	11,400	15,000
Honarariums	3,750	3,750	7,500	7,500	9,500
Sundry expenses	1,148	1,147	2,295	2,295	-
	13,493	42,201	55,694	55,694	32,282

**8 STAFF NUMBERS AND COSTS**

The average number of employees during the year was nil (2023 - nil).

During the financial year, the following honorariums were paid:

	Unrestricted Funds £	Total 2024 £	Total 2023 £
Rev P Fitzpatrick	1,500	1,500	4,250
Rev J Gilbert	3,000	3,000	5,250
Rev D Doran	3,000	3,000	-
	7,500	7,500	9,500

The Association is grateful for the valuable support of volunteer workers engaged in various fundraising activities.

No Trustee received any remuneration, benefits or expenses payments during the financial year (2023 - £nil).

**The Johnson or Secular Clergy Association of the Archdiocese of Birmingham**

**Notes to the Financial Statements  
for the Year Ended 31st March 2024**

**9 AUDITORS REMUNERATION**

	<u>2024</u>	<u>2023</u>
	£	£
Fees payable to the Charity's auditor for the audit of the financial statements	<u>11,400</u>	<u>15,000</u>

**10 FIXED ASSET INVESTMENTS**

	£
<b>Cost or valuation</b>	
At 1st April 2023	17,116,974
Additions	2,143,994
Disposals	(2,192,936)
Revaluations	1,094,487
Movement in cash	6,738
 At 31st March 2024	 <u>18,169,257</u>

All the fixed asset investments are in listed investments and held in the UK.

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

The historical cost of investments at 31st March 2024 was £11,318,667 (2023: £11,241,869).

**11 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<u>2024</u>	<u>2023</u>
	£	£
Prepayments and accrued income	<u>248,157</u>	<u>214,165</u>

**12 CASH AT BANK**

	<u>2024</u>	<u>2023</u>
	£	£
Bank current accounts	1,149,863	980,694
Investment cash accounts	337,650	-
	<u>1,487,513</u>	<u>980,694</u>

**The Johnson or Secular Clergy Association of the Archdiocese of Birmingham**

**Notes to the Financial Statements  
for the Year Ended 31st March 2024**

**13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2024	2023
	£	£
Accruals for grants payable	15,084	1,349
Other accruals and deferred income	22,686	26,595
	37,770	27,944

**14 CONTINGENT ASSETS**

The charity has been made aware of a number of legacies that it is likely to receive. The amount and timing of these receipts is uncertain but they are prudently estimated to amount to £300,000.

**15 TAXATION**

No taxation is payable for the current or previous financial year as all surpluses arise from activities furthering the charitable objects of the charity and are utilised for charitable purposes, therefore leading to exemption from taxation.

**16 UNRESTRICTED INCOME FUNDS**

	2024	2023
	£	£
Balance at start of year	18,283,889	19,247,288
Net income for the year	488,781	14,894
Net gains/(losses) on investments in year	1,094,487	(978,293)
	19,867,157	18,283,889

**17 ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS**

	2024		2023
	Unrestricted Funds	Total funds	Total Funds
	£	£	£
Fixed asset investments	18,169,257	18,169,257	17,116,974
Current assets	1,735,670	1,735,670	1,194,859
Creditors due within one year	(37,770)	(37,770)	(27,944)
	19,867,157	19,867,157	18,283,889

**18 RELATED PARTY TRANSACTIONS**

The Charity has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Charity at 31st March 2024.

**THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM**

England & Wales - Charity number 238681

---

# Accounts

---

**THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE  
ARCHDIOCESE OF BIRMINGHAM**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2023**

---

THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM

---

CONTENTS

---

	Page
<b>Reference and administrative details of the Charity, its Trustees and advisers</b>	1
<b>Trustees' report</b>	2 - 9
<b>Independent auditors' report on the financial statements</b>	10 - 13
<b>Statement of financial activities</b>	14
<b>Balance sheet</b>	15
<b>Notes to the financial statements</b>	16 - 24

---

THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM

---

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 MARCH 2023

---

<b>Trustees</b>	Rev G Murray, Chair Rev M Dolman Rev D Hartley Mrs P Deeley Rev P Madden (appointed 4 July 2022) Rev D Doran (appointed 4 July 2022) Rev J N Latham (resigned 4 July 2022)
<b>Charity registered number</b>	238681
<b>Principal office</b>	31 Vicarage Road Henley on Thames Oxfordshire RG9 1HT
<b>Independent auditors</b>	Cooper Parry Group Limited Statutory Auditor Office 401, 4th Floor Two Chamberlain Square Birmingham B3 3AX
<b>Bankers</b>	The Co-operative Bank, Manchester  Allied Irish Bank (GB), Birmingham
<b>Solicitors</b>	Lodders LLP, Stratford-upon-Avon
<b>Investment Managers</b>	Quilters Cheviot, London

---

## THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM

---

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023

---

The Trustees present their annual report together with the audited financial statements of the Charity for the 1 April 2022 to 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

#### Reference and administration information

The following trustees served throughout the year:

Rev G Murray - Chair  
Rev M Dolman  
Rev JN Latham (resigned 4 July 2022)  
Rev D Hartley  
Mrs P Deeley  
Rev Peter Madden (appointed 4 July 2022)  
Rev David Doran (appointed 4 July 2022)

The Johnson or Secular Clergy Association of the Archdiocese of Birmingham has an associated Trust Company known as "The Johnson Trust Corporation Limited" which holds any real property as custodian trustee of The Association (company number 8287813). The registered office is 31 Vicarage Road, Henley-On-Thames, Oxfordshire, RG9 1HT.

#### The board of advisors to the trustees

The Board of Advisors to the Trustees are the clergy representatives elected by their Deanery to represent the Members of the Deanery and keep the trustees informed as to the physical wellbeing of the members. They are elected, also, to advise the trustees in matters relating to the Association, advice which the trustees must listen to. The following representatives served during the year:

Rev K Hooper	Rev B Devanney
Rev C Draycott	Rev J Green
Rev A Foster	Rev S Pimlott
Rev M Glaze	Rev T Norton

The affairs of the Association are administered by:

Canon Paul Fitzpatrick, Sacred Heart Catholic Church, 31 Vicarage Road, Henley on Thames, Oxfordshire, RG9 1HT (appointed July 2014 – reappointed July 2017, - reappointed July 2020). Tel: 01491 573 258.

The Secretary is:

Canon John Gilbert, 17 Birch Green Grove, Sneyd Green, Stoke on Trent, ST3 2JU.

---

## THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM

---

### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

---

#### Structure, governance and management

##### a. Constitution

The Johnson or Secular Clergy Association of the Archdiocese of Birmingham ("The Johnson Association") is registered with the Charity Commission, Registration No. 238681.

The Association is governed by the rules adopted as its constitution on 29 November 2000 and amended on 14 July 2010, 13th July 2011, 11th July 2012, 11th July 2013, 2nd July 2018, 7th October 2020, 5th July 2021 and 4th July 2022.

The Body of Trustees consists of five persons elected by the Members at the Annual General Meeting. Each year one fifth of the trustees will retire. The Trustees to retire will be those who have been longest in office since he or they were last elected. New trustees may be nominated by any member, the board of advisors, or the Trustees, and will be elected by the members at the AGM. However, no person shall be eligible for election onto the Body of Trustees if at the date of the Annual General Meeting from which if elected he will hold office, or the date of the Trustees' Meeting at which he is co-opted, he will have served 10 consecutive years as a Trustee.

All trustees give of their time freely and no trustee remuneration or expenses was paid in the year. Details of honoraria paid to the Administrator and Secretary are disclosed in note 7 to the accounts. Trustees are required to disclose all relevant interests or activity with another charitable trust.

The Chair of the Trustees is appointed by the Trustees from among the Trustees immediately following the Annual General Meeting and is a trustee ex officio. The Chair of Trustees' holds office for three years, after which the Chair of Trustees may be appointed for a second term of office but after the expiry of such second term will not be eligible for appointment as the Chair.

At the quarterly Trustees Meetings, the Trustees have agreed that areas of Governance and activity should be organised in a systematic manner. At each of the quarterly meetings the Trustees give due consideration to the application for discretionary grants. The day to day administration of grants and the processing and handling of applications prior to consideration by the Trustees is delegated to the Administrator.

Directly following the AGM, the Trustees elect a Chair if this is required and any business presented by the Secretary and Administrator is dealt with.

At Trustees' meetings during the year, there is a focus on Trustee training. This serves as training for the newly appointed trustees and an annual update for all of the Trustees and their delegates. The Autumn Trustees Meeting usually also has an induction training session for new Trustees. This year, the training sessions were held in May 2022 and January 2023 and attended by all trustees.

Previous Trustee training highlighted that greater diversity would be valuable for our organisation. The Trustees addressed this issue, last year, and made their appointments from this standpoint.

The Rev'd D Hartley is the first married priest to be a Trustee of the Johnson Association. Mrs P Deeley is the first Trustee, in the 170-year history of the Johnson Association, who is not a priest.

This year the Trustees reviewed the Constitution to ensure that they were familiar with its principles and content.

In particular the trustees received training in the following areas:

- Fundraising and the Fundraising Regulator/ Fundraising Code
- "The Board" - and the changes proposed in relation to the operation of this.
- Charity Governance Code
- General training and especially the Short Guides referred to in the Welcome Pack issued by the Charity Commission - with a focus on conflicts of interest, decision taking and the objects of the charity
- The changes to the Charities Act 2022 which is being phased in at present

---

## THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM

---

### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

---

#### Structure, governance and management (continued)

Finally as referred to below, there was a focus on the grant-making policy and procedure to ensure that it is up to date. See further below.

At the following quarterly meeting, the first of the next calendar year, the Trustees undertake an annual financial review and update their financial policy, and risk management. The Trustees, together with the Association's Investment Managers – Quilter Cheviot - ensure that the level of financial risk is effectively managed to enable the trustees to forecast and provide the funds available to support those Secular Clergy to whom it offers a discretionary grant, while ensuring that the long-term investment policy is upheld.

At our January Trustees Meeting the Trustees discussed Responsible Investment - Defined as:

*'A strategy and Practice to incorporate environmental, social and governance (ESG) factors in investment decisions and active ownership'.*

ESG = Environmental, Social and Governance has further sub-headings in each category.

Quilter Cheviot and other Investment Companies are now required to discuss Responsible Investment with their clients and to log and document this discussion.

Quilter Cheviot works in dialogue with those companies in which it invests, which in turn (it is hoped) leads to positive change.

Quilter Cheviot has an engagement policy = 'We vote and engage with companies.'

The Trustees agreed that Responsible and Sustainable Investment should be a part of the broader Financial Policy which would be discussed at the first meeting of each year.

Subsequently the following statement was agreed which will form the basis of a draft 'policy for investment':

*In principle the Board wish to be responsible investors. Environmental, social and governance (ESG) criteria are a set of standards for a company's operations that socially conscious investors, such as the charity, consider when reviewing their investments. Environmental criteria consider how a company performs as a steward of nature. Social criteria examine how it manages relationships with employees, suppliers, customers, and the communities where it operates. Governance deals with a company's leadership, executive pay, audits, internal controls, and shareholder rights. Therefore, the investment managers are encouraged to take account of ESG issues in their investment analysis and decision-making processes and engage with company management when appropriate.*

During the year, the Trustees undertook a review of the procedures of the Board of Advisors to the Trustees, especially within their experience of the Covid-19 pandemic and how this relates to the Constitution. This review revealed a number of ways in which the union between the Board of Advisors and the Trustees may be more dynamic and helpful for both parties and enhance the union between the Trustees and the members of the Association. The Trustees presented to the members at the AGM (4 July 2022) further proposals for such revisions to the constitution. These proposals were accepted unanimously. As a result, a new board of advisors has been formed, which reflects the change in the number of deaneries which are represented. The board of advisors meets with the Administrator and Secretary and conducts its own business, which it bring to the attention of the members and trustees at the AGM.

The Annual General Meeting takes place in July. Each of the members are invited to attend. The AGM accepts the resignation of one fifth of the Trustee body and elects a new trustee. The AGM discusses those matters proposed by the Trustees, or Board of Advisors, as well as any matter proposed by a member. The Trustees' Report and Financial Statement are agreed, and any other business as required, e.g. the appointment of Auditors and Accountants.

The Johnson Association acts independently of any other charity.

---

## THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM

---

### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

---

#### Structure, governance and management (continued)

##### b. Risk management

The Trustees of the Johnson Association review and update their Risk Register every six months and having reviewed those risks they have established systems and procedures to manage those risks. Usually this is an exercise in planning for the worst-case scenario.

Reviewing the Risk Register in the light of the pandemic, the Risk Register proved to be robust, and has served us well, in these unprecedented times.

The Trustees consider the variability of investment returns upon their investment portfolio as a significant financial risk. They are also aware that in common with society as a whole, the Secular Clergy are as a whole older than they were and living longer. Therefore, it is probable that the financial demands upon the charity will increase at the same time that volatility in world markets seems higher.

Following a completion of a survey of the Secular Clergy based on their current age, (which has enabled them to produce a detailed forecast of the numbers of Secular Clergy who will retire each year for the next twenty-five years), the Trustees are equipped to make decisions on a long-term basis, as well as continuing to provision for the additional numbers of Secular Clergy retiring, and future demands upon the Charity.

With the increasing uncertainty in the financial markets, the Trustees in consultation with their Investment Managers, undertook a thorough financial review and agreed the level of financial risk they were willing to accept. The trustees agreed to keep the current risk status as 'Medium'.

#### Objectives and activities

##### a. Policies and objectives

The Johnson Association's objective is the support of the Secular Clergy of the Archdiocese, who, on account of age or infirmity, are no longer able to continue their parochial work and to support priests who are suffering temporary illness.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Association's objectives and in planning future activities and considering the grant making policy.

#### Activity

The Johnson Association achieves its objective by:

- providing discretionary grants to priests who, through old age or infirmity are no longer able to work.
- In addition to its objective of helping to maintain the aged and infirm priests, the Association also provides discretionary grants in aid of priests who are on the active list, but who are incapacitated by serious illness for a period longer than a month.
- All the Secular Clergy who have been supported by the Johnson Association are declared in aggregate in the accounts see note 7.

#### Grant Making Policy

It is through the provision of discretionary grants that the Johnson Association seeks to fulfil its objective to support the Secular Clergy of the Archdiocese, who, on account of age or infirmity, are no longer able to continue their parochial work and to support priests who are suffering temporary illness.

The review and governance of the grant making policy is an important priority for the Trustees. Following confirmation from the Archdiocese that a Priest has retired, the retired priest may apply for a discretionary grant. It is expected that the applicant's financial arrangements are disclosed in full, and that any major financial

---

## THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM

---

### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

---

#### Objectives and activities (continued)

matters are detailed, e.g. the lack of a full pension; financial demands as a result of full-time nursing care; savings and investments; private income. The Trustees also ensure that the applicant has upheld the requirements and obligations of the Association.

The application is scrutinised by the Trustees and a judgement is made – if a grant is to be awarded - or not, or only in part - depending upon the individual's circumstances. The Trustees do not have a single figure for every case, but rather prioritise their attention and support on those whose need is greatest, within an agreed range.

The Trustees review each grant offered to the recipients to review if their circumstances have changed.

#### b. Main activities undertaken to further the Charity's purposes for the public benefit

When planning the grant making activity of the Association the trustees have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the relief of poverty and they have also had regard to the specific guidance on charities for the advancement of religion.

The Association makes grants principally to retired clergy. Such financial assistance is needed to assist retired clergy towards maintaining their standard of living during retirement. The making of grants depends on the circumstances of the recipient.

The clergy are valued members of society: building and strengthening communities, supporting the dying and bereaved, ministering to the sick at home and in hospital, caring for the poor and marginalised, visiting those in prison and providing spiritual and moral education for children.

The trustees do not receive any private benefits and do not participate in discussions where a conflict of interest occurs and withdraw from any part of any meeting where this is discussed.

The aggregate grants awarded are declared in the accounts in note 7.

#### Monitoring achievements and performance

##### a. Review of activities

The Trustees monitor their achievement and performance in their ability to care and support growing numbers of Secular Clergy who rely on the Association's provision today and in the future - in accordance with their objective - while keeping an appropriate balance between current funding and financial provision for future generations.

Key performance indicators are summarised in the table below:

Number of Secular Clergy Supported							
2016	2017	2018	2019	2020	2021	2022	2023
51	54	62	66	58	65	56	57

We note that the number of Secular Clergy that we support has been growing each year, as in common with the population, the number of those retired grows.

However, one will note the change in the figures for 2020/21. This is a direct response to Covid-19. These figures do not reveal the full number of deaths, as the number of those retiring continues to rise.

In order to support our objective, the Trustees have sought to carefully examine the financial performance of the Association, in accordance with the agreed financial policy and risk management. Given the level of uncertainty in the financial investments, the trustees have sought to maximise the potential income from the Annual November Collection and to have a closer relationship with its benefactors.

TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2023

---

**Monitoring achievements and performance (continued)**

**b. Fundraising activities and income generation**

The Association raises funds through an annual second collection in the Churches of the Archdiocese of Birmingham for the fund. Donations are also made through the Association's website. There were no complaints received by the Association about activities by the Association or by a person on behalf of the Association for the purpose of fundraising. The Association has taken measures to protect vulnerable people and other members of the public from the following behaviours in the course of or in connection with fundraising activities:

- i. unreasonable intrusion on a person's privacy
- ii. unreasonable persistent approaches for the purpose of soliciting or otherwise procuring money or other property on behalf of the charity.
- iii. placing undue pressure on a person to give money or other property.

**c. Investment policy and performance**

To sustain a level of income sufficient to meet demands on its resources, the Association requires a significant capital base and the trustees have maintained an active investment policy to provide a degree of stability and certainty in income levels. The aim is to maintain and, if possible, increase the real value of the monies invested. In doing this sufficient income should be generated to provide a significant proportion of the annual amount needed to meet the objectives of the Association.

Investments held by the Association, which are shown at notes 10 of the accounts, were acquired in accordance with the powers available to the trustees and the Trustee Act 2000.

The Charity's investment managers, Quilter Cheviot, are instructed to generate a balance between capital growth and income, provided that the gross income each year exceeds a minimum of £175,000. Investment income for the year totalled £341,759 (2022: £345,447) as shown in note 5; the consistent level of income this year continues to reflect the current economic climate and also the need to maintain a balance between income generation and capital growth.

During the year there was an overall decrease of 4.9% in the investment portfolio (2022: increase of 6.8%).

The yield on investments for the year was 1.98% (2022: 1.91%) which was in line with expectations given the general market performance.

**Financial review**

**a. Financial Performance**

The charity generated total income of £477,126 and incurred total expenditure of £462,232 resulting in a surplus during the year before investment gains of £14,894. Total unrestricted funds as at 31 March 2023 were £18,283,889 of which £1,166,915 were represented by free reserves.

The results for the year are disclosed in the attached Statement of Financial Activities and the Notes to the accounts.

TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2023

---

**b. Going concern**

The financial statements have been prepared on a going concern basis under the historical cost basis of accounting rules modified to account for investments at fair value. Each year the Trustees review the value of the investment portfolio in conjunction with the investment managers and the availability of cash in the short term to ensure the Charity is a going concern. At the time of signing these financial statements, the Trustees have considered the the going concern position and consider that the Charity will be able to continue to operate for a period of at least 12 months from the date of signing these financial statements. The Charity has a strong cash position of £980,694 and net assets of £18.3m and on that basis, the Trustees have prepared these financial statements on a going concern basis.

**c. Reserves policy**

**General unrestricted funds**

It is the policy of the trustees, having regard to the specific designated fund referred to below, to maintain the general unrestricted funds, which are the free reserves of the charity, at a level which equates to approximately eighteen to twenty-four months' grant payments, taking into consideration likely changes in the number or recipients and the level of grant paid. Free reserves of £1,166,915 at 31 March 2023 (2022: £1,245,600) represented over 24 months' grant payments; this is partly due to the receipt of substantial legacies in 2014 and 2015. Legacies will be allocated to investment funds in order to provide income in future years in accordance with the charity's objectives. The trustees continue to monitor the level of free reserves and believe that, based upon the current value of the investment portfolio, the Association will be able to fulfil its objectives in the short to medium term.

**Investment fund**

The majority of the Association's income is derived from donations and legacies, which by their nature are subject to fluctuations. To sustain a level of income sufficient to meet the anticipated demands on its resources, the trustees have maintained an active investment policy to provide a degree of stability and certain levels. In the circumstances the trustees have deemed it appropriate to create a designated Investment Fund that represents the government stocks and other listed investments held in the charity's investment portfolio, together with the property held by the Association. The Charity regularly reinvests any surplus it receives (usually from bequests) into its portfolio, to ensure that its investments are secure and growing, and its dividends increase, should there be a problem with its banking arrangements.

**d. Banking Arrangements**

This year there have been significant challenges with our banking arrangements, due to the decision by AiB GB, to withdraw from the UK market. Following a healthy forty-year relationship with our bank, it came as a considerable shock to the Trustees to learn that AiB GB was unilaterally withdrawing from the UK market, and that we should have to find another bank.

We did not realise at first what a challenge this would be. None of the 'big 4' and the high street banks, except Grant Making Charities. In most cases, we were not allowed to apply for a Bank Account when we made our enquiries. We were grateful to NatWest, who encouraged us to apply, and rejected our application, twice! The process to apply for an account was lengthy, and resulted in rejection, which led AiB GB to place pressure on Trustees to move onwards. We are grateful for their patience. Finally, we applied for an account with The Co-Operative Bank, who accepted our application, and we were able to switch our account in April 2023. All of this year's activity (2022-2023) took place under the shadow of these pressures. However, we were able to ensure that all of our obligations to our members, were undertaken in full.

---

## THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM

---

### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

---

#### e. Plans for the future

Having reflected carefully upon our banking experience and the lessons we can learn from this experience; we have decided to change our charity status to CIO. This is a significant change in our legal status but would be easier to encourage new Trustees to join the charity, and would be welcomed by institutions, such as a Bank. This change will take place during 2023/24.

#### 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 & Wales requires the Trustees to prepare financial statements for each financial which give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 (FRS 102);
- make judgments and accounting 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 financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The trustees are responsible for keeping proper 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 Charities (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.

#### Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

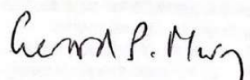
- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

#### Auditors

The auditors, Cooper Parry Group Limited, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on 3 July 2023 and signed on their behalf by:

**Rev G Murray**  
Trustee



---

## THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM

---

### INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM

---

#### Opinion

We have audited the financial statements of The Johnson or Secular Clergy Association of the Archdiocese of Birmingham (the 'charity') for the year ended 31 March 2023 which comprise the Statement of financial activities, the Balance sheet and the related notes, 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 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and in other respects 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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.

---

## THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM

---

### INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM (CONTINUED)

---

#### Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' 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.

#### Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- 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 our knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

#### Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

---

## THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM

---

### INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM (CONTINUED)

---

#### **Auditors' 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 Auditors' 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:

- obtaining an understanding of the legal and regulatory framework applicable to the Charity and how the Charity is complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- obtaining an understanding of the Charity's control environment and how the Charity has applied relevant control procedures, through discussions with Trustees and management and by performing walkthrough testing over key areas;
- obtaining an understanding of the Charity's risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year; and
- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of activities and reviewing accounting estimates for bias.

Whilst considering how our audit work addressed the detection of irregularities, we also considered the likelihood of detection based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

---

THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM


---

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE JOHNSON OR SECULAR CLERGY  
ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM (CONTINUED)

---

**Use of our report**

This report is made solely to the Charity's trustees, 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 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 its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



**Cooper Parry Group Limited**  
Statutory Auditor  
Office 401, 4th Floor  
Two Chamberlain Square  
Birmingham  
B3 3AX

Date: 3 July 2023

---

**THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM**

---

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2023**

---

	Note	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
<b>Income from:</b>				
Donations and legacies	4	135,367	135,367	334,370
Investments	5	341,759	341,759	345,447
		<hr/>	<hr/>	<hr/>
<b>Total income</b>		477,126	477,126	679,817
<b>Expenditure on:</b>				
Raising funds	6	45,507	45,507	47,225
Charitable activities		416,725	416,725	383,255
		<hr/>	<hr/>	<hr/>
<b>Total expenditure</b>		462,232	462,232	430,480
<b>Net income before net (losses)/gains on investments</b>				
		14,894	14,894	249,337
Net (losses)/gains on investments		(978,293)	(978,293)	1,195,155
		<hr/>	<hr/>	<hr/>
<b>Net movement in funds</b>		(963,399)	(963,399)	1,444,492
<b>Reconciliation of funds:</b>				
Total funds brought forward		19,247,288	19,247,288	17,802,796
Net movement in funds		(963,399)	(963,399)	1,444,492
		<hr/>	<hr/>	<hr/>
<b>Total funds carried forward</b>		18,283,889	18,283,889	19,247,288
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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

The notes on pages 16 to 24 form part of these financial statements.

---

**THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM**

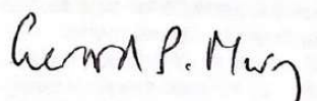
---

**BALANCE SHEET  
AS AT 31 MARCH 2023**

---

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Investments	10	17,116,974	18,001,688
		17,116,974	18,001,688
<b>Current assets</b>			
Debtors	11	214,165	167,681
Cash at bank and in hand		980,694	1,101,217
		1,194,859	1,268,898
Creditors: amounts falling due within one year	12	(27,944)	(23,298)
		1,166,915	1,245,600
<b>Net current assets</b>		1,166,915	1,245,600
<b>Total assets less current liabilities</b>		18,283,889	19,247,288
<b>Total net assets</b>		18,283,889	19,247,288
<b>Charity funds</b>			
Unrestricted funds	13	18,283,889	19,247,288
<b>Total funds</b>		18,283,889	19,247,288

The financial statements were approved and authorised for issue by the Trustees on 03 July 2023 and signed on their behalf by:



**Rev G Murray**  
Chair of Trustees

The notes on pages 16 to 24 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

---

**1. General information**

The Johnson or Secular Clergy Association of the Archdiocese of Birmingham ("The Johnson Association") is registered with the Charity Commission, Registration No. 238681. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the Charity's operations and principal activities are to support of the secular clergy of the archdiocese, who, on account of age or infirmity are no longer able to work, and to assist priests with temporary illness, or who have to undergo operations, by providing financial assistance.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Johnson or Secular Clergy Association of the Archdiocese of Birmingham meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

**2.2 Going concern**

The financial statements have been prepared on a going concern basis under the historical cost basis of accounting rules modified to account for investments at fair value. Each year the Trustees review the value of the investment portfolio in conjunction with the investment managers and the availability of cash in the short term to ensure the Charity is a going concern. At the time of signing these financial statements, the Trustees have considered the going concern position and consider that the Charity will be able to continue to operate for a period of at least 12 months from the date of signing these financial statements. The Charity has a strong cash position of £980,694 and net assets of £18,283,889 and on that basis, the Trustees have prepared these financial statements on a going concern basis.

**2.3 Income**

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

---

**2. Accounting policies (continued)**

**2.3 Income (continued)**

Investment income is earned through holding assets for investment purposes such as shares. It includes dividends and interest. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend income is recognised as the charity's right to receive payment is established.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

**2.4 Expenditure**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds
- Expenditure on charitable activities

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

Costs of raising funds comprise fees paid to to the charity's investment managers.

Charitable activities and Support costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

**2.5 Investments**

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

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

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

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

---

**2. Accounting policies (continued)**

**2.5 Investments (continued)**

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

Investments are stated at market value as at the balance sheet date. The statement of financial activities includes the net gains and losses arising on the revaluation and disposals throughout the year.

**2.6 Debtors and Creditors**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

**2.7 Cash at bank and in hand**

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

**2.8 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

**2.9 Financial instruments**

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**2.10 Fund accounting**

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.

---

THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

---

2. Accounting policies (continued)

2.10 Fund accounting (continued)

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

2.11 Tax

The charity is a charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

3. Information regarding employees and trustees

The Association has no employees.

During the year Rev P Fitzpatrick received an Honorarium of £4,250 (2022: £3,500) and Rev J Gilbert £5,250 (2022: £nil). No trustee or person related or connected by business to them has received any remuneration from the Association during the year.

The Association is grateful for the valuable support of volunteer workers engaged in various fundraising activities.

4. Income from donations and legacies

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Appeals - November collection	41,259	41,259	28,229
Parish levy	49,600	49,600	50,800
Donations	14,597	14,597	10,936
Legacies	29,911	29,911	244,405
<b>Total 2023</b>	<b>135,367</b>	<b>135,367</b>	<b>334,370</b>
Total 2022	334,370	334,370	

---

**THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

---

**5. Investment income**

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from listed investments	338,247	338,247	345,376
Bank interest	3,512	3,512	71
	341,759	341,759	345,447
	345,447	345,447	
Total 2022	345,447	345,447	

**6. Investment management costs**

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Investment management fees	45,507	45,507	47,225
	47,225	47,225	
Total 2022	47,225	47,225	

**7. Analysis of charitable expenditure**

	Grant making 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Grants paid	384,443	32,282	416,725	383,255
	384,443	32,282	416,725	
Total 2022	384,443	32,282	416,725	383,255

---

**THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

---

**7. Analysis of charitable expenditure (continued)**

**Analysis of support costs**

	Grant making 2023 £	Total funds 2023 £	Total funds 2022 £
Legal and professional	4,570	4,570	5,570
Bank charges	1,987	1,987	1,333
Trustee meeting costs	1,225	1,225	135
Audit	15,000	15,000	9,300
Honarariums	9,500	9,500	3,500
	32,282	32,282	19,838
	19,838	19,838	
Total 2022			

**8. Auditors' remuneration**

	2023 £	2022 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	15,000	9,300
	15,000	9,300

**9. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year, no Trustee expenses have been incurred (2022 - £NIL).

---

**THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

---

**10. Fixed asset investments**

	Listed investments £
<b>Cost or valuation</b>	
At 1 April 2022	18,001,688
Additions	2,023,980
Disposals	(1,928,480)
Revaluations	(978,293)
Movement in cash	(1,921)
At 31 March 2023	17,116,974

All the fixed asset investments are held in the UK.

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

The historical cost of investments at 31 March 2023 was £11,241,869 (2022: £10,473,833).

**11. Debtors**

	2023 £	2022 £
<b>Due within one year</b>		
Prepayments and accrued income	214,165	167,681
	214,165	167,681

**12. Creditors: Amounts falling due within one year**

	2023 £	2022 £
Accruals and deferred income	27,944	23,298
	27,944	23,298

THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

13. Statement of funds

Statement of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2023 £
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Investment Fund	18,001,688	-	-	93,579	(978,293)	17,116,974
<b>General funds</b>						
General Funds	1,245,600	477,126	(462,232)	(93,579)	-	1,166,915
<b>Total Unrestricted funds</b>	<b>19,247,288</b>	<b>477,126</b>	<b>(462,232)</b>	<b>-</b>	<b>(978,293)</b>	<b>18,283,889</b>

Statement of funds - prior year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Investment Fund	16,851,887	-	-	(45,354)	1,195,155	18,001,688
<b>General funds</b>						
General Funds	950,909	679,817	(430,480)	45,354	-	1,245,600
<b>Total Unrestricted funds</b>	<b>17,802,796</b>	<b>679,817</b>	<b>(430,480)</b>	<b>-</b>	<b>1,195,155</b>	<b>19,247,288</b>

---

THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

---

**13. Statement of funds (continued)**

The investment fund represents the government stocks and other listed investments held in the charity's investment portfolio. The charity regularly reinvests any surplus it receives into its portfolio to ensure that its investments are secure and growing and its dividends increase.

**14. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	Unrestricted funds 2023 £	Total funds 2023 £
Fixed asset investments	17,116,974	17,116,974
Current assets	1,194,859	1,194,859
Creditors due within one year	(27,944)	(27,944)
<b>Total</b>	<b>18,283,889</b>	<b>18,283,889</b>

**Analysis of net assets between funds - prior year**

	Unrestricted funds 2022 £	Total funds 2022 £
Fixed asset investments	18,001,688	18,001,688
Current assets	1,268,898	1,268,898
Creditors due within one year	(23,298)	(23,298)
<b>Total</b>	<b>19,247,288</b>	<b>19,247,288</b>

**15. Related party transactions**

The Charity has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Charity at 31 March 2023.

**THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM**

England & Wales - Charity number 238681

---

# Accounts

---

**THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE  
ARCHDIOCESE OF BIRMINGHAM**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2022**

---

THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM

---

CONTENTS

---

	Page
<b>Reference and administrative details of the Charity, its Trustees and advisers</b>	1
<b>Trustees' report</b>	2 - 10
<b>Independent auditors' report on the financial statements</b>	11 - 13
<b>Statement of financial activities</b>	14
<b>Balance sheet</b>	15
<b>Notes to the financial statements</b>	16 - 24

---

THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM

---

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 MARCH 2022

---

<b>Trustees</b>	Rev G Murray, Chair Rev M Dolman Rev J N Latham Rev D Hartley (appointed 5 July 2021) Mrs P Deeley (appointed 5 July 2021) Rev D Devenney (resigned 5 July 2021)
<b>Charity registered number</b>	238681
<b>Principal office</b>	31 Vicarage Road Henley on Thames Oxfordshire RG9 1HT
<b>Independent auditors</b>	Cooper Parry Group Limited Chartered Accountants Statutory Auditor Sky View Argosy Road East Midlands Airport Castle Donington Derby DE74 2SA
<b>Bankers</b>	Allied Irish Bank (GB), Birmingham
<b>Solicitors</b>	Lodders LLP, Stratford-upon-Avon
<b>Investment Managers</b>	Quilters Cheviot, London

---

## THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM

---

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2022

---

The Trustees present their annual report together with the audited financial statements of the Charity for the 1 April 2021 to 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

#### Reference and administration information

The following trustees served throughout the year:

Rev G Murray - Chair  
Rev M Dolman  
Rev JN Latham  
Rev D Hartley (appointed 5 July 2021)  
Mrs P Deeley (appointed 5 July 2021)  
Rev D Devenney (resigned 5 July 2021)

The Johnson or Secular Clergy Association of the Archdiocese of Birmingham has an associated Trust Company known as "The Johnson Trust Corporation Limited" which holds any real property as custodian trustee of The Association (company number 8287813). The registered office is St Marys College, Chester Road, Sutton Coldfield, West Midlands, B73 5AA.

#### The board of advisors to the trustees

The Board of Advisors to the Trustees are the clergy representatives elected by their Deanery to represent the Members of the Deanery and keep the trustees informed as to the physical wellbeing of the members. They are elected, also, to advise the trustees in matters relating to the Association, advice which the trustees must listen to. The following representatives served during the year:

Rev K Hooper	Rev The Quang Nuygen	Rev P Wheildon
Rev C Draycott	Rev G Kelly	Rev B Wilton
Rev A Foster	Rev D Lacy	
Rev M Glaze	Rev T Norton	

The affairs of the Association are administered by:

Rev Paul Fitzpatrick, Sacred Heart Catholic Church, 31 Vicarage Road, Henley on Thames, Oxfordshire, RG9 1HT (appointed July 2014 – reappointed July 2017, - reappointed July 2020). Tel: 01491 573 258.

The Secretary is:

Rev John Gilbert, 17 Birch Green Grove, Sneyd Green, Stoke on Trent, ST3 2JU.

#### Structure, governance and management

##### a. Constitution

The Johnson or Secular Clergy Association of the Archdiocese of Birmingham ("The Johnson Association") is registered with the Charity Commission, Registration No. 238681.

The Association is governed by the rules adopted as its constitution on 29 November 2000 and amended on 14 July 2010, 13th July 2011, 11th July 2012, 11th July 2013, 2nd July 2018, 7th October 2020 and 5th July 2021.

TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022

---

**Structure, governance and management (continued)**

The Body of Trustees consists of five persons elected by the Members at the Annual General Meeting. Each year one fifth of the trustees will retire. The Trustees to retire will be those who have been longest in office since he or they were last elected. New trustees may be nominated by any member, the board of advisors, or the Trustees, and will be elected by the members at the AGM. However, no person shall be eligible for election onto the Body of Trustees if at the date of the Annual General Meeting from which if elected he will hold office, or the date of the Trustees' Meeting at which he is co-opted, he will have served 10 consecutive years as a Trustee.

All trustees give of their time freely and no trustee remuneration or expenses was paid in the year. Details of honoraria paid to the Administrator and Secretary are disclosed in note 6 to the accounts. Trustees are required to disclose all relevant interests or activity with another charitable trust.

The Chair of the Trustees is appointed by the Trustees from among the Trustees immediately following the Annual General Meeting and is a trustee ex officio. The Chair of Trustees' holds office for three years, after which the Chair of Trustees may be appointed for a second term of office but after the expiry of such second term will not be eligible for appointment as the Chair.

At the quarterly Trustees Meetings, the Trustees have agreed that areas of Governance and activity should be organised in a systematic manner. At each of the quarterly meetings the Trustees give due consideration to the application for discretionary grants. The day to day administration of grants and the processing and handling of applications prior to consideration by the Trustees is delegated to the Administrator.

Directly following the AGM, the Trustees elect a Chair if this is required and any business presented by the Secretary and Administrator is dealt with. At the following Trustees' meeting in the autumn, there is a further meeting which is focused upon Trustee training. This serves as training for the newly appointed trustees and an annual update for all of the Trustees and their delegates.

The Autumn Trustees Meeting usually also has an induction training session for new Trustees, which also serves as an annual update for all Trustees. This year, with the appointment of two new Trustees training session was attended by all trustees.

Previous Trustee training highlighted that greater diversity would be valuable for our organisation. The Trustees addressed this issue, last year, and made their appointments from this standpoint.

The Rev'd D Hartley is the first married priest to be a Trustee of the Johnson Association. Mrs P Deeley is the first Trustee, in the 170-year history of the Johnson Association, who is not a priest.

This year the Trustees reviewed the Constitution to ensure that they were familiar with its principles and content. In particular the trustees received training in the following areas:

- Welcome pack for Trustees
- Being a Trustee
- Charity Governance Code
- Short guides introduced by the Charity Commission.
  - Conflict of Interest
  - Good decision making
  - Achieving the charities' purposes
  - Public benefit
  - What to send to the Charity Commission and getting help Merging the Charities finances
- Coronavirus Guides Managing Financial difficulties in your charity caused by the Coronavirus Guidance the charity sector AGM/Holding meetings online/using resources and restricted funds Reporting serious incidents to the charity commission during the Coronavirus pandemic – e.g., reduction of income
- Coronavirus: increased risk of fraud and cybercrime against charities

At the following quarterly meeting, the first of the next calendar year, the Trustees undertake an annual financial review and update their financial policy, and risk management. The Trustees, together with the Association's

TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022

---

**Structure, governance and management (continued)**

Investment Managers – Quilter Cheviot - ensure that the level of financial risk is effectively managed to enable the trustees to forecast and provide the funds available to support those Secular Clergy to whom it offers a discretionary grant, while ensuring that the long-term investment policy is upheld.

At our January Trustees Meeting the Trustees discussed Responsible Investment - Defined as:

*'A strategy and Practice to incorporate environmental, social and governance (ESG) factors in investment decisions and active ownership.'*

ESG = Environmental, Social and Governance has further sub-headings in each category.

Quilter Cheviot and other Investment Companies are now required to discuss Responsible Investment with their clients and to log and document this discussion.

Quilter Cheviot works in dialogue with those companies in which it invests, which in turn (it is hoped) leads to positive change.

Quilter Cheviot has an engagement policy = 'We vote and engage with companies.'

The Trustees agreed that Responsible and Sustainable Investment should be a part of the broader Financial Policy which would be discussed at the first meeting of each year.

Subsequently the following statement was agreed which will form the basis of a draft 'policy for investment':

*In principle the Board wish to be responsible investors. Environmental, social and governance (ESG) criteria are a set of standards for a company's operations that socially conscious investors, such as the charity, consider when reviewing their investments. Environmental criteria consider how a company performs as a steward of nature. Social criteria examine how it manages relationships with employees, suppliers, customers, and the communities where it operates. Governance deals with a company's leadership, executive pay, audits, internal controls, and shareholder rights. Therefore, the investment managers are encouraged to take account of ESG issues in their investment analysis and decision-making processes and engage with company management when appropriate.*

The Trustees have managed to continue to review the Constitution at their next meeting in May which was held in person. The Trustees undertook a review of the procedures of the Board of Advisors to the Trustees, especially within their experience of the Covid-19 pandemic and how this relates to the Constitution. This review revealed a number of ways in which the union between the Board of Advisors and the Trustees may be more dynamic and helpful for both parties and enhance the union between the Trustees and the members of the Association. The Trustees will return to the members at the AGM with further proposals for such revisions to the constitution.

The Annual General Meeting takes place in July. Each of the members are invited to attend. The AGM accepts the resignation of one fifth of the Trustee body and elects a new trustee. The AGM discusses those matters proposed by the Trustees, or Board of Advisors, as well as any matter proposed by a member. The Trustees' Report and Financial Statement are agreed, and any other business as required, e.g. the appointment of Auditors and Accountants.

The Johnson Association acts independently of any other charity.

TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022

---

**Structure, governance and management (continued)**

**b. Risk management**

The Trustees of the Johnson Association review and update their Risk Register every six months and having reviewed those risks they have established systems and procedures to manage those risks. Usually this is an exercise in planning for the worst-case scenario.

Reviewing the Risk Register in the light of the pandemic, the Risk Register proved to be robust, and has served us well, in these unprecedented times.

The Trustees consider the variability of investment returns upon their investment portfolio as a significant financial risk. They are also aware that in common with society as a whole, the Secular Clergy are as a whole older than they were and living longer. Therefore, it is probable that the financial demands upon the charity will increase at the same time that volatility in world markets seems higher.

Following a completion of a survey of the Secular Clergy based on their current age, (which has enabled them to produce a detailed forecast of the numbers of Secular Clergy who will retire each year for the next twenty-five years), the Trustees are equipped to make decisions on a long-term basis, as well as continuing to provision for the additional numbers of Secular Clergy retiring, and future demands upon the Charity.

With the increasing uncertainty in the financial markets, the Trustees in consultation with their Investment Managers, undertook a thorough financial review and agreed the level of financial risk they were willing to accept.

**Objectives and activities**

**a. Policies and objectives**

The Johnson Association's objective is the support of the Secular Clergy of the Archdiocese, who, on account of age or infirmity, are no longer able to continue their parochial work and to support priests who are suffering temporary illness.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Association's objectives and in planning future activities and considering the grant making policy.

**Activity**

The Johnson Association achieves its objective by:

- providing discretionary grants to priests who, through old age or infirmity are no longer able to work.
- In addition to its objective of helping to maintain the aged and infirm priests, the Association also provides discretionary grants in aid of priests who are on the active list, but who are incapacitated by serious illness for a period longer than a month.
- All the Secular Clergy who have been supported by the Johnson Association are declared in aggregate in the accounts see note 6.

**Grant Making Policy**

It is through the provision of discretionary grants that the Johnson Association seeks to fulfil its objective to support the Secular Clergy of the Archdiocese, who, on account of age or infirmity, are no longer able to continue their parochial work and to support priests who are suffering temporary illness.

The review and governance of the grant making policy is an important priority for the Trustees. Following confirmation from the Archdiocese that a Priest has retired, the retired priest may apply for a discretionary grant. It is expected that the applicant's financial arrangements are disclosed in full, and that any major financial

TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022

---

**Objectives and activities (continued)**

matters are detailed, e.g. the lack of a full pension; financial demands as a result of full-time nursing care; savings and investments; private income. The Trustees also ensure that the applicant has upheld the requirements and obligations of the Association.

The application is scrutinised by the Trustees and a judgement is made – if a grant is to be awarded - or not, or only in part - depending upon the individual's circumstances. The Trustees do not have a single figure for every case, but rather prioritise their attention and support on those whose need is greatest, within an agreed range.

The Trustees review each grant offered to the recipients to review if their circumstances have changed.

**b. Main activities undertaken to further the Charity's purposes for the public benefit**

When planning the grant making activity of the Association the trustees have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the relief of poverty and they have also had regard to the specific guidance on charities for the advancement of religion.

The Association makes grants principally to retired clergy. Such financial assistance is needed to assist retired clergy towards maintaining their standard of living during retirement. The making of grants depends on the circumstances of the recipient.

The clergy are valued members of society: building and strengthening communities, supporting the dying and bereaved, ministering to the sick at home and in hospital, caring for the poor and marginalised, visiting those in prison and providing spiritual and moral education for children.

The trustees do not receive any private benefits and do not participate in discussions where a conflict of interest occurs and withdraw from any part of any meeting where this is discussed.

The aggregate grants awarded are declared in the accounts in note 6.

**Monitoring achievements and performance**

**a. Review of activities**

The Trustees monitor their achievement and performance in their ability to care and support growing numbers of Secular Clergy who rely on the Association's provision today and in the future - in accordance with their objective - while keeping an appropriate balance between current funding and financial provision for future generations.

Key performance indicators are summarised in the table below:

Number of Secular Clergy Supported						
2016	2017	2018	2019	2020	2021	2022
51	54	62	66	58	65	56

We note that the number of Secular Clergy that we support has been growing each year, as in common with the population, the number of those retired grows, however 2021/22 saw a decline due to a number of deaths as a result of the Covid-19 pandemic.

TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022

---

**Monitoring achievements and performance (continued)**

**b. Investment policy and performance**

To sustain a level of income sufficient to meet demands on its resources, the Association requires a significant capital base and the trustees have maintained an active investment policy to provide a degree of stability and certainty in income levels. The aim is to maintain and, if possible, increase the real value of the monies invested. In doing this sufficient income should be generated to provide a significant proportion of the annual amount needed to meet the objectives of the Association.

Investments held by the Association, which are shown at notes 9 of the accounts, were acquired in accordance with the powers available to the trustees and the Trustee Act 2000.

The Charity's investment managers, Quilter Cheviot, are instructed to generate a balance between capital growth and income, provided that the gross income each year exceeds a minimum of £175,000. Investment income for the year totalled £345,447 (2021: £315,336) as shown in note 4; the higher level of income this year reflects the current economic climate and also the need to maintain a balance between income generation and capital growth.

During the year there was an overall increase of 6.8% in the investment portfolio (2021: increase of 23.7%).

The yield on investments for the year was 1.91% (2021: 1.82%) which was in line with expectations given the general market performance.

**Financial review**

**a. Financial Performance**

The charity generated total income of £679,817 and incurred total expenditure of £430,480 resulting in a surplus during the year before investment gains of £249,337. Total unrestricted funds as at 31 March 2022 were £19,247,288 of which £1,245,600 were represented by free reserves.

The results for the year are disclosed in the attached Statement of Financial Activities and the Notes to the accounts.

**b. Going concern**

The financial statements have been prepared on a going concern basis under the historical cost basis of accounting rules modified to account for investments at fair value. Each year the Trustees review the value of the investment portfolio in conjunction with the investment managers and the availability of cash in the short term to ensure the Charity is a going concern. At the time of signing these financial statements, the Trustees have considered the the going concern position and consider that the Charity will be able to continue to operate for a period of at least 12 months from the date of signing these financial statements. The Charity has a strong cash position of £1,101,217 and net assets of £19.2m and on that basis, the Trustees have prepared these financial statements on a going concern basis.

TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022

---

**c. Reserves policy**

**General unrestricted funds**

It is the policy of the trustees, having regard to the specific designated fund referred to below, to maintain the general unrestricted funds, which are the free reserves of the charity, at a level which equates to approximately eighteen to twenty-four months' grant payments, taking into consideration likely changes in the number or recipients and the level of grant paid. Free reserves of £1,245,600 at 31 March 2022 (2021: £950,909) represented over 24 months' grant payments; this is partly due to the receipt of substantial legacies in 2014 and 2015. Legacies will be allocated to investment funds in order to provide income in future years in accordance with the charity's objectives. The trustees continue to monitor the level of free reserves and believe that, based upon the current value of the investment portfolio, the Association will be able to fulfil its objectives in the short to medium term.

**Investment fund**

The majority of the Association's income is derived from donations and legacies, which by their nature are subject to fluctuations. To sustain a level of income sufficient to meet the anticipated demands on its resources, the trustees have maintained an active investment policy to provide a degree of stability and certain levels. In the circumstances the trustees have deemed it appropriate to create a designated Investment Fund that represents the government stocks and other listed investments held in the charity's investment portfolio, together with the property held by the Association.

**d. Covid-19**

The Coronavirus Pandemic has had a profound affect upon every area of society throughout the United Kingdom and the rest of the world. The Johnson Association is no exception to this, and we would like to describe how the pandemic has challenged the charity in many different ways and how we have responded to this challenge

**Our Members**

The majority of our members are in a vulnerable age group (65yrs+) and all of those who receive a grant from the Association are 70yrs+ or have underlying illnesses. We exist to support and serve our members who have felt threatened and anxious throughout the last six months. Several of our members live in nursing homes which have endured Covid-19 outbreaks. Sadly, we have to report that several of our members have died as a direct result of Covid-19. This is the first and foremost result of the pandemic, which is much more significant than the financial implications or the organisational disruption caused by the pandemic.

**Financial Implications**

The global financial shockwave caused by pandemic has touched every area of financial life and the economy.

Our financial investments (which represent the majority of our assets) were profoundly shaken by the downturn in the global financial markets but had recovered at the year end. We monitor and review our exposure to financial risk carefully, by discussing investment financial risk at the first meeting of each calendar year with our investment managers, Quilter Cheviot.

We also discuss our response and put measures in place as part of our regularly updated risk register. Although, the downturn in the market had a significant affect on the charity, we are confident that the precautions we have put in place will limit any operational damage and will enable us to continue to budget from a long-term perspective.

The primary financial impact upon the charity was that our dividend income was not sufficient to cover our grant expenditure. However, while the dividend income is the majority of our income, there are other sources of income from donations and legacies which enabled us to cover the majority of our expenditure together with utilising some of our reserves.

**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022**

---

We have mitigated this risk to our financial portfolio, as part of our risk register, by ensuring that we have two years' reserves at hand, which will ensure that we will not have to draw upon the portfolio for capital. We believe we are in a strong position to be able to serve our members, by meeting our financial commitments.

**e. Plans for the future**

It can be difficult to plan for the future, in the midst of the pandemic. However, while it is difficult to have specific timing; our objectives remain unchanged. We will continue to support our members and offer financial assistance, through our grants. The income from the annual November Collection will be significantly reduced. Support for the collection will be encouraged at our AGM, and throughout 2022. We intend to continue our plans for a series of regional meetings, but these may take place in late 2022 or early 2023.

**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 & Wales requires the Trustees to prepare financial statements for each financial which give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 (FRS 102);
- make judgments and accounting 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 financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The trustees are responsible for keeping proper 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 Charities (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.

**Disclosure of information to auditors**

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

**Auditors**

The auditors, Cooper Parry Group Limited, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

---

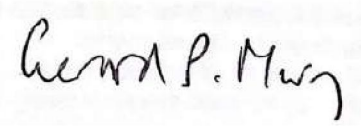
THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM

---

TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022

---

Approved by order of the members of the board of Trustees on 4 July 2022 and signed on their behalf by:

A handwritten signature in black ink, appearing to read "Rev G Murray", is written over a light grey rectangular background.

**Rev G Murray**  
Trustee

---

## THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM

---

### INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM

---

#### Opinion

We have audited the financial statements of The Johnson or Secular Clergy Association of the Archdiocese of Birmingham (the 'charity') for the year ended 31 March 2022 which comprise the Statement of financial activities, the Balance sheet and the related notes, 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 31 March 2022 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 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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 Auditors' 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 JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM

---

### INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM (CONTINUED)

---

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

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

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees**

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

#### **Auditors' 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 Auditors' 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:

- obtaining an understanding of the legal and regulatory framework applicable to the charity and how the charity is complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- obtaining an understanding of the charity's control environment and how the charity has applied relevant control procedures, through discussions with Trustees and management and by performing walkthrough testing over key areas;
- obtaining an understanding of the Charity's risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year; and

---

## THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM

---

### INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM (CONTINUED)

---

- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of activities and reviewing accounting estimates for bias.

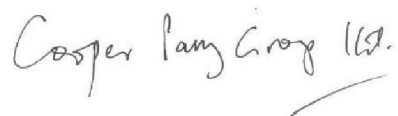
Whilst considering how our audit work addressed the detection of irregularities, we also considered the likelihood of detection based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

#### 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 its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



#### **Cooper Parry Group Limited**

Chartered Accountants  
Statutory Auditor  
Sky View  
Argosy Road  
East Midlands Airport  
Castle Donington  
Derby  
DE74 2SA

Date: 4 July 2022

Cooper Parry Group Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM

STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2022

	Note	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>Income from:</b>				
Donations and legacies	3	334,370	334,370	115,863
Investments	4	345,447	345,447	315,336
<b>Total income</b>		<u>679,817</u>	<u>679,817</u>	<u>431,199</u>
<b>Expenditure on:</b>				
Raising funds	5	47,225	47,225	40,453
Charitable activities	6	383,255	383,255	399,650
<b>Total expenditure</b>		<u>430,480</u>	<u>430,480</u>	<u>440,103</u>
<b>Net income/(expenditure) before net gains on investments</b>				
		249,337	249,337	(8,904)
Net gains on investments	9	1,195,155	1,195,155	3,275,445
<b>Net movement in funds</b>		<u>1,444,492</u>	<u>1,444,492</u>	<u>3,266,541</u>
<b>Reconciliation of funds:</b>				
Total funds brought forward		17,802,796	17,802,796	14,536,255
Net movement in funds		1,444,492	1,444,492	3,266,541
<b>Total funds carried forward</b>	12	<u>19,247,288</u>	<u>19,247,288</u>	<u>17,802,796</u>

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

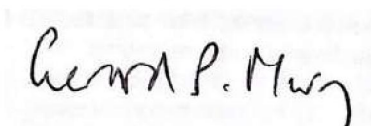
The notes on pages 16 to 24 form part of these financial statements.

THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM

BALANCE SHEET  
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Investments	9	18,001,688	16,851,887
		<u>18,001,688</u>	<u>16,851,887</u>
<b>Current assets</b>			
Debtors	10	167,681	88,878
Cash at bank and in hand		1,101,217	880,095
		<u>1,268,898</u>	<u>968,973</u>
Creditors: amounts falling due within one year	11	(23,298)	(18,064)
<b>Net current assets</b>		<u>1,245,600</u>	<u>950,909</u>
<b>Total net assets</b>		<u><u>19,247,288</u></u>	<u><u>17,802,796</u></u>
<b>Charity funds</b>			
Unrestricted funds	12	19,247,288	17,802,796
<b>Total funds</b>		<u><u>19,247,288</u></u>	<u><u>17,802,796</u></u>

The financial statements were approved and authorised for issue by the Trustees on 04 July 2022 and signed on their behalf by:



**Rev G Murray**  
Trustee

The notes on pages 16 to 24 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022

---

**1. Accounting policies**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Johnson or Secular Clergy Association of the Archdiocese of Birmingham meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

**1.2 Going concern**

The financial statements have been prepared on a going concern basis under the historical cost basis of accounting rules modified to account for investments at fair value. Each year the Trustees review the value of the investment portfolio in conjunction with the investment managers and the availability of cash in the short term to ensure the Charity is a going concern. At the time of signing these financial statements, the Trustees have considered the going concern position and consider that the Charity will be able to continue to operate for a period of at least 12 months from the date of signing these financial statements. The Charity has a strong cash position of £1,101,217 and net assets of £19.2m and on that basis, the Trustees have prepared these financial statements on a going concern basis.

**1.3 Income**

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022

---

**1. Accounting policies (continued)**

**1.4 Expenditure**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds
- Expenditure on charitable activities

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

Costs of raising funds comprise fees paid to the charity's investment managers.

Charitable activities and Governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

**1.5 Investments**

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

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

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

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022

---

**1. Accounting policies (continued)**

**1.5 Investments (continued)**

Investments are stated at market value as at the balance sheet date. The statement of financial activities includes the net gains and losses arising on the revaluation and disposals throughout the year.

**1.6 Debtors**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

**1.7 Cash at bank and in hand**

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

**1.8 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

**1.9 Fund accounting**

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 comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

**1.10 Tax**

The charity is a charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022

1. Accounting policies (continued)

2. Information regarding employees and trustees

The Association has no employees.

During the year Rev P Fitzpatrick received an Honorarium of £3,500 (2021: £2,500) and Rev J Gilbert £Nil (2021: £2,500). No trustee or person related or connected by business to them has received any remuneration from the Association during the year.

The Association is grateful for the valuable support of volunteer workers engaged in various fundraising activities.

3. Income from donations and legacies

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Appeals - November collection	28,229	28,229	14,082
Parish levy	50,800	50,800	53,200
Donations	10,936	10,936	15,673
Legacies	244,405	244,405	32,908
<b>Total 2022</b>	<u>334,370</u>	<u>334,370</u>	<u>115,863</u>
<b>Total 2021</b>	<u>115,863</u>	<u>115,863</u>	

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022

4. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from listed investments	345,376	345,376	314,927
Bank interest	71	71	409
	<u>345,447</u>	<u>345,447</u>	<u>315,336</u>
<b>Total 2021</b>	<u>315,336</u>	<u>315,336</u>	

5. Investment management costs

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Investment management fees	47,225	47,225	40,453
	<u>40,453</u>	<u>40,453</u>	
<b>Total 2021</b>	<u>40,453</u>	<u>40,453</u>	

6. Analysis of charitable expenditure

	Grant making 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Grants paid	363,417	19,838	383,255	399,650
	<u>379,291</u>	<u>20,359</u>	<u>399,650</u>	
<b>Total 2021</b>	<u>379,291</u>	<u>20,359</u>	<u>399,650</u>	

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022

6. Analysis of charitable expenditure (continued)

Analysis of support costs

	Grant making 2022 £	Total funds 2022 £	Total funds 2021 £
Legal and professional	5,570	5,570	6,453
Bank charges	1,333	1,333	1,368
Trustee meeting costs	135	135	248
Audit	9,300	9,300	7,290
Honarariums	3,500	3,500	5,000
	<u>19,838</u>	<u>19,838</u>	<u>20,359</u>
<b>Total 2021</b>	<u>20,359</u>	<u>20,359</u>	

7. Auditors' remuneration

	2022 £	2021 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	<u>9,300</u>	<u>7,290</u>

8. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 March 2022, no Trustee expenses have been incurred (2021 - £NIL).

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022

9. Fixed asset investments

	Listed investments £
<b>Cost or valuation</b>	
At 1 April 2021	16,851,887
Additions	391,657
Disposals	(424,404)
Revaluations	1,195,155
Movement in cash	(12,607)
At 31 March 2022	<u>18,001,688</u>

All the fixed asset investments are held in the UK.

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

The historical cost of investments at 31 March 2022 was £10,473,833 (2021: £10,285,902).

10. Debtors

	2022 £	2021 £
<b>Due within one year</b>		
Prepayments and accrued income	167,681	88,878
	<u>167,681</u>	<u>88,878</u>

11. Creditors: Amounts falling due within one year

	2022 £	2021 £
Accruals and deferred income	23,298	18,064
	<u>23,298</u>	<u>18,064</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022

12. Statement of funds

Statement of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Investment Fund	16,851,887	-	-	(45,354)	1,195,155	18,001,688
<b>General funds</b>						
General Funds	950,909	679,817	(430,480)	45,354	-	1,245,600
<b>Total Unrestricted funds</b>	<b>17,802,796</b>	<b>679,817</b>	<b>(430,480)</b>	<b>-</b>	<b>1,195,155</b>	<b>19,247,288</b>

Statement of funds - prior year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Investment Fund	13,616,895	-	-	(40,453)	3,275,445	16,851,887
<b>General funds</b>						
General Funds	919,360	431,199	(440,103)	40,453	-	950,909
<b>Total Unrestricted funds</b>	<b>14,536,255</b>	<b>431,199</b>	<b>(440,103)</b>	<b>-</b>	<b>3,275,445</b>	<b>17,802,796</b>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022

---

13. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Total funds 2022 £
Fixed asset investments	18,001,688	18,001,688
Current assets	1,268,898	1,268,898
Creditors due within one year	(23,298)	(23,298)
<b>Total</b>	<u>19,247,288</u>	<u>19,247,288</u>

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Total funds 2021 £
Fixed asset investments	16,851,887	16,851,887
Current assets	968,973	968,973
Creditors due within one year	(18,064)	(18,064)
<b>Total</b>	<u>17,802,796</u>	<u>17,802,796</u>

14. Related party transactions

The Charity has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Charity at 31 March 2022.

**THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM**

England & Wales - Charity number 238681

---

# Accounts

---

**THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE  
ARCHDIOCESE OF BIRMINGHAM**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2021**

---

THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM

---

CONTENTS

---

	Page
<b>Reference and administrative details of the Charity, its Trustees and advisers</b>	1
<b>Trustees' report</b>	2 - 10
<b>Independent auditor's report on the financial statements</b>	11 - 14
<b>Statement of financial activities</b>	15
<b>Balance sheet</b>	16
<b>Notes to the financial statements</b>	17 - 25

---

THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM

---

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 MARCH 2021

---

<b>Trustees</b>	Rev D Devenney, Chair Rev M Dolman Rev G Murray Rev J N Latham Rev P Johnson (retired 26 January 2021)
<b>Charity registered number</b>	238681
<b>Principal office</b>	31 Vicarage Road Henley on Thames Oxfordshire RG9 1HT
<b>Independent auditor</b>	Cooper Parry Group Limited Chartered Accountants Statutory Auditor One Central Boulevard Blythe Valley Business Park Solihull West Midlands B90 8BG
<b>Bankers</b>	Allied Irish Bank (GB), Birmingham
<b>Solicitors</b>	Lodders LLP, Stratford-upon-Avon
<b>Investment Managers</b>	Quilters Cheviot, London

---

## THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM

---

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

---

The Trustees present their annual report together with the audited financial statements of the Charity for the year 1 April 2020 to 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

#### **Trustees of the charity**

The following trustees served throughout the year:

Rev D Devenney - Chair (appointed 3 July 2016)

Rev M Dolman (re-appointed 7 October 2020)

Rev JN Latham (appointed 3 July 2017)

Rev G Murray (re-appointed 9 October 2019)

Rev P Johnson (retired 26 January 2021)

The Johnson or Secular Clergy Association of the Archdiocese of Birmingham has an associated Trust Company known as "The Johnson Trust Corporation Limited" which holds any real property as custodian trustee of The Association (company number 8287813). The registered office is St Mary's College, Chester Road, Sutton Coldfield, West Midlands, B73 5AA.

#### **The board of advisors to the trustees**

The Board of Advisers to the Trustees are the clergy representatives elected by their Deanery to represent the Members of the Deanery and keep the trustees informed as to the physical wellbeing of the members. They are elected, also, to advise the trustees in matters relating to the Association, advice which the trustees must listen to. The following representatives served during the year:

Rev M Dolman

Rev K Hooper

Rev The Quang Nuygen

Rev C Draycott

Rev G Kelly

Rev P Wheildon

Rev A Foster

Rev D Lacy

Rev B Wilton

Rev M Glaze

Rev T Norton

The affairs of the Association are administered by:

Rev Paul Fitzpatrick, Sacred Heart Catholic Church, 31 Vicarage Road, Henley on Thames, Oxfordshire, RG9 1HT (appointed July 2014). Tel: 01491 573 258.

The Secretary is:

Rev John Gilbert, 17 Birch Green Grove, Sneyd Green, Stoke on Trent, ST1 6RD.

#### **Structure, governance and management**

##### **a. Constitution**

The Johnson or Secular Clergy Association of the Archdiocese of Birmingham ("The Johnson Association") is registered with the Charity Commission, Registration No. 238681.

The Association is governed by the rules adopted as its constitution on 29 November 2000 and amended on 14 July 2010, 13 July 2011, 11 July 2012 and 11 July 2013.

The Body of Trustees consists of five persons elected by the Members at the Annual General Meeting. Each

TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021

---

**Structure, governance and management (continued)**

year one fifth of the trustees will retire. The Trustees to retire will be those who have been longest in office since he or they were last elected. New trustees may be nominated by any member, the board of advisors, or the Trustees, and will be elected by the members at the AGM. However, no person shall be eligible for election onto the Body of Trustees if at the date of the Annual General Meeting from which if elected he will hold office, or the date of the Trustees' Meeting at which he is co-opted, he will have served 10 consecutive years as a Trustee.

All trustees give of their time freely and no trustee remuneration or expenses was paid in the year. Details of honoraria paid to the Administrator and Secretary are disclosed in note 6 to the accounts. Trustees are required to disclose all relevant interests or activity with another charitable trust.

The Chair of the Trustees is appointed by the Trustees from among the Trustees immediately following the Annual General Meeting and is a trustee ex officio. The Chair of Trustees holds office for three years, after which the Chair of Trustees may be appointed for a second term of office but after the expiry of such second term will not be eligible for appointment as the Chair.

At the quarterly Trustees' Meetings, the Trustees have agreed that areas of Governance and activity should be organised in a systematic manner. At each of the quarterly meetings the Trustees give due consideration to the application for discretionary grants. The day to day administration of grants and the processing and handling of applications prior to consideration by the Trustees is delegated to the Administrator.

Directly following the AGM, the Trustees elect a Chair if this is required and any business presented by the Secretary and Administrator is dealt with. At the following Trustees' meeting in the autumn, there is a further meeting which is focused upon Trustee training. This serves as training for the newly appointed trustees and an annual update for all of the Trustees and their delegates.

The Autumn Trustees' Meeting usually also has an induction training session for new Trustees, which also serves as an annual update for all Trustees. This year, due to the AGM meeting taking place in the Autumn, and with the re-appointment of Fr Gerard Murray, (there being no induction of new Trustees) the training session was postponed until January.

At the training session in January the Trustees reviewed the Constitution to ensure that they were familiar with its principles and content. In particular the trustees received training in the following areas:

- Welcome pack for Trustees
- Being a Trustee
- Charity Governance Code
- Short guides introduced by the Charity Commission.
  - Conflict of Interest
  - Good decision making
  - Achieving the charities' purposes
  - Public benefit
  - What to send to the Charity Commission and getting help
  - Merging the Charities finances
- Coronavirus Guides
  - Managing Financial difficulties in your charity caused by the Coronavirus
  - Guidance the charity sector
  - AGM/Holding meetings online/using resources and restricted funds
  - Reporting serious incidents to the charity commission during the Coronavirus pandemic – e.g., reduction of income
  - Coronavirus: increased risk of fraud and cybercrime against charities

Our Trustee training highlighted that greater diversity would be valuable for our organisation. The Trustees agreed to address this issue, by reviewing the appointment of the next Trustee, from this standpoint.

At the first quarterly meeting of the next calendar year, the Trustees undertake an annual financial review and

TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021

---

**Structure, governance and management (continued)**

update their financial policy, and risk management. The Trustees, together with the Association's Investment Managers – Quilter Cheviot - ensure that the level of financial risk is effectively managed to enable the trustees to forecast and provide the funds available to support those Secular Clergy to whom it offers a discretionary grant, while ensuring that the long-term investment policy is upheld.

At our January Trustees Meeting the Trustees discussed **Responsible Investment** - Defined as:

*'A strategy and Practice to incorporate environmental, social and governance (ESG) factors in investment decisions and active ownership'*.

ESG = Environmental, Social and Governance has further sub-headings in each category.

Quilter Cheviot and other Investment Companies are now required to discuss Responsible Investment with their clients and to log and document this discussion.

Quilter Cheviot works in dialogue with those companies in which it invests, which in turn (it is hoped) leads to positive change.

Quilter Cheviot has an engagement policy = 'We vote and engage with companies.'

The Trustees **agreed** that **Responsible and Sustainable Investment** should be a part of the broader Financial Policy which would be discussed at the first meeting of each year.

Subsequently the following statement was agreed which will form the basis of a draft 'policy for investment':

*In principle the Board wish to be responsible investors. Environmental, social and governance (ESG) criteria are a set of standards for a company's operations that socially conscious investors, such as the charity, consider when reviewing their investments. Environmental criteria consider how a company performs as a steward of nature. Social criteria examine how it manages relationships with employees, suppliers, customers, and the communities where it operates. Governance deals with a company's leadership, executive pay, audits, internal controls, and shareholder rights. Therefore, the investment managers are encouraged to take account of ESG issues in their investment analysis and decision-making processes and engage with company management when appropriate.*

Despite the Covid-19 restrictions, the Trustees have managed to continue to review the Constitution at their next meeting which was conducted by Zoom. The Trustees will return to the members at the AGM with further proposals for revisions to the constitution.

The Annual General Meeting takes place in July. Each of the members are invited to attend. The AGM accepts the resignation of one fifth of the Trustee body and elects a new trustee. The AGM discusses those matters proposed by the Trustees, or Board of Advisors, as well as any matter proposed by a member. The Trustees' Report and Financial Statement are agreed, and any other business as required, e.g. the appointment of Auditors and Accountants.

The Johnson Association acts independently of any other charity.

TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021

---

**Structure, governance and management (continued)**

**b. Risk management**

The Trustees of the Johnson Association review and update their Risk Register every six months and having reviewed those risks they have established systems and procedures to manage those risks. Usually this is an exercise in planning for the worst case scenario.

This year, we have had to take these plans and put them into action as a response to Covid-19 (see below). The Risk Register proved to be robust, and has served us well, in these unprecedented times.

The Trustees consider the variability of investment returns upon their investment portfolio as a significant financial risk. They are also aware that in common with society as a whole, the Secular Clergy are as a whole older than they were and living longer. Therefore, it is probable that the financial demands upon the charity will increase at the same time that volatility in world markets seems higher.

Following a completion of a survey of the Secular Clergy based on their current age, (which has enabled them to produce a detailed forecast of the numbers of Secular Clergy who will retire each year for the next twenty-five years), the Trustees are equipped to make decisions on a long term basis, as well as continuing to provision for the additional numbers of Secular Clergy retiring, and future demands upon the Charity.

With the increasing uncertainty in the financial markets, the Trustees in consultation with their Investment Managers, undertook a thorough financial review and agreed the level of financial risk they were willing to accept.

**Objectives and activities**

**a. Policies and objectives**

The Johnson Association's objective is the support of the Secular Clergy of the Archdiocese, who, on account of age or infirmity, are no longer able to continue their parochial work and to support priests who are suffering temporary illness.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Association's objectives and in planning future activities and considering the grant making policy.

**Activity**

The Johnson Association achieves its objective by:

- providing discretionary grants to priests who, through old age or infirmity are no longer able to work.
- In addition to its objective of helping to maintain the aged and infirm priests, the Association also provides discretionary grants in aid of priests who are on the active list, but who are incapacitated by serious illness for a period longer than a month.
- All the Secular Clergy who have been supported by the Johnson Association are declared in aggregate in the accounts see note 6.

**Grant Making Policy**

It is through the provision of discretionary grants that the Johnson Association seeks to fulfil its objective to support the Secular Clergy of the Archdiocese, who, on account of age or infirmity, are no longer able to continue their parochial work and to support priests who are suffering temporary illness.

The review and governance of the grant making policy is an important priority for the Trustees. Following confirmation from the Archdiocese that a Priest has retired, the retired priest may apply for a discretionary grant.

---

## THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM

---

### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

---

#### Objectives and activities (continued)

It is expected that the applicant's financial arrangements are disclosed in full, and that any major financial matters are detailed, e.g. the lack of a full pension; financial demands as a result of full-time nursing care; savings and investments; private income. The Trustees also ensure that the applicant has upheld the requirements and obligations of the Association.

The application is scrutinised by the Trustees and a judgement is made – if a grant is to be awarded - or not, or only in part - depending upon the individual's circumstances. The Trustees do not have a single figure for every case, but rather prioritise their attention and support on those whose need is greatest, within an agreed range.

The Trustees review each grant offered to the recipients to review if their circumstances have changed.

#### **b. Main activities undertaken to further the Charity's purposes for the public benefit**

When planning the grant making activity of the Association the trustees have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the relief of poverty and they have also had regard to the specific guidance on charities for the advancement of religion.

The Association makes grants principally to retired clergy. Such financial assistance is needed to assist retired clergy towards maintaining their standard of living during retirement. The making of grants depends on the circumstances of the recipient.

The clergy are valued members of society: building and strengthening communities, supporting the dying and bereaved, ministering to the sick at home and in hospital, caring for the poor and marginalised, visiting those in prison and providing spiritual and moral education for children.

The trustees do not receive any private benefits and do not participate in discussions where a conflict of interest occurs and withdraw from any part of any meeting where this is discussed.

The aggregate grants awarded are declared in the accounts in note 6.

#### Monitoring achievements and performance

##### **a. Review of activities**

The Trustees monitor their achievement and performance in their ability to care and support growing numbers of Secular Clergy who rely on the Association's provision today and in the future - in accordance with their objective - while keeping an appropriate balance between current funding and financial provision for future generations.

Key performance indicators are summarised in the table below:

#### ***Number of Secular Clergy Supported***

<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
51	54	62	66	58	64

We note that the number of Secular Clergy that we support has been growing each year, as in common with the population, the number of those retired grows.

However, one will note the change in the figures for 2020. This is a direct response to Covid-19. These figures do not reveal the full number of deaths, as the number of those retiring continues to rise.

In order to support our objective, the Trustees have sought to carefully examine the financial performance of the Association, in accordance with the agreed financial policy and risk management. Given the level of uncertainty

---

## THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM

---

### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

---

#### Monitoring achievements and performance (continued)

in the financial investments, the trustees have sought to maximise the potential income from the Annual November Collection and to have a closer relationship with its benefactors. (See Covid-19 for more information).

#### b. Investment policy and performance

To sustain a level of income sufficient to meet demands on its resources, the Association requires a significant capital base and the trustees have maintained an active investment policy to provide a degree of stability and certainty in income levels. The aim is to maintain and, if possible, increase the real value of the monies invested. In doing this sufficient income should be generated to provide a significant proportion of the annual amount needed to meet the objectives of the Association.

Investments held by the Association, which are shown at note 9 of the accounts, were acquired in accordance with the powers available to the trustees and the Trustee Act 2000.

The Charity's investment managers, Quilter Cheviot, are instructed to generate a balance between capital growth and income, provided that the gross income each year exceeds a minimum of £175,000. Investment income for the year totalled £315,336 (2020: £379,675) as shown in note 4.

During the year there was an overall increase of 23.7% in the investment portfolio (2020: decrease of 9.9%).

The yield on investments for the year was 1.82% (2020: 2.72%) which was in line with expectations given the general market performance.

#### Financial review

##### a. Financial Performance

The charity generated total income of £431,199 and incurred total expenditure of £440,103 resulting in a deficit during the year before investment gains of £8,904. Total unrestricted funds as at 31 March 2021 were £17,802,796 of which £950,909 were represented by free reserves.

The results for the year are disclosed in the attached Statement of Financial Activities and the Notes to the accounts. The financial turmoil as a result of Covid-19 and Brexit, may well have a significant influence upon our financial activities.

##### b. Going concern

The financial statements have been prepared on a going concern basis under the historical cost basis of accounting rules modified to account for investments at fair value. Each year the Trustees review the value of the investment portfolio in conjunction with the investment managers and the availability of cash in the short term to ensure the Charity is a going concern. At the time of signing these financial statements, the Trustees have considered the effect of the COVID-19 pandemic on the going concern position and consider that the Charity will be able to continue to operate for a period of at least 12 months from the date of signing these financial statements. The Charity has a strong cash position of £880,095 and net assets of £17.8m and on that basis, the Trustees have prepared these financial statements on a going concern basis.

TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021

---

**c. Reserves policy**

**General unrestricted funds**

It is the policy of the trustees, having regard to the specific designated fund referred to below, to maintain the general unrestricted funds, which are the free reserves of the charity, at a level which equates to approximately eighteen to twenty-four months' grant payments, taking into consideration likely changes in the number or recipients and the level of grant paid. Free reserves of £950,909 at 31 March 2021 (2020: £919,360) represented over 24 months' grant payments; this is partly due to the receipt of substantial legacies in 2014 and 2015. Legacies will be allocated to investment funds in order to provide income in future years in accordance with the charity's objectives. The trustees continue to monitor the level of free reserves and believe that, based upon the current value of the investment portfolio, the Association will be able to fulfil its objectives in the short to medium term.

**Investment fund**

The majority of the Association's income is derived from donations, legacies and investment income. These sources of income are by their nature subject to fluctuations. To sustain a level of income sufficient to meet the anticipated demands on its resources, the trustees have maintained an active investment policy to provide a degree of stability and certain levels. In the circumstances the trustees have deemed it appropriate to create a designated Investment Fund that represents the government stocks and other listed investments held in the charity's investment portfolio, together with the property held by the Association.

**d. Covid-19**

The Coronavirus Pandemic has had a profound affect upon every area of society throughout the United Kingdom and the rest of the world. The Johnson Association is no exception to this, and we would like to describe how the pandemic has challenged the charity in many different ways and how we have responded to this challenge

**Our Members**

The majority of our members are in a vulnerable age group (65yrs+) and all of those who receive a grant from the Association are 70yrs+ or have underlying illnesses. We exist to support and serve our members who have felt threatened and anxious throughout the last six months. Several of our members live in nursing homes which have endured Covid-19 outbreaks. Sadly, we have to report that several of our members have died as a direct result of Covid-19. This is the first and foremost result of the pandemic, which is much more significant than the financial implications or the organisational disruption caused by the pandemic.

**Financial Implications**

The global financial shockwave caused by pandemic has touched every area of financial life and the economy.

Our financial investments (which represent the majority of our assets) were profoundly shaken by the downturn in the global financial markets but had recovered at the year end. We monitor and review our exposure to financial risk carefully, by discussing investment financial risk at the first meeting of each calendar year with our investment managers, Quilter Cheviot.

We also discuss our response and put measures in place as part of our regularly updated risk register. Although, the downturn in the market had a significant affect on the charity, we are confident that the precautions we have put in place will limit any operational damage and will enable us to continue to budget from a long-term perspective.

The primary financial impact upon the charity was that our dividend income was not sufficient to cover our grant expenditure. However, while the dividend income is the majority of our income, there are other sources of income from donations and legacies which enabled us to cover the majority of our expenditure together with utilising some of our reserves.

**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

---

We have mitigated this risk to our financial portfolio, as part of our risk register, by ensuring that we have two years' reserves at hand, which will ensure that we will not have to draw upon the portfolio for capital. We believe we are in a strong position to be able to serve our members, by meeting our financial commitments.

**e. Plans for the future**

It can be difficult to plan for the future, in the midst of the pandemic. However, while it is difficult to have specific timing, our objectives remain unchanged. We will continue to support our members and offer financial assistance through our grants. The income from the annual November Collection has been significantly reduced. Support for the collection will be encouraged at our AGM, and throughout 2022.

We intend to continue our plans for a series of regional meetings, but these may take place in late 2022 or early 2023. We would hope that our enhanced AGM, which would include a celebration of retirement will take place in July 2022, but as this celebration will be focused upon the most vulnerable age group, we will have to act with due caution.

**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 & 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 its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 (FRS 102);
- make judgments and accounting 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 financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The trustees are responsible for keeping proper 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 Charities (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.

**Disclosure of information to auditor**

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

---

THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM

---

TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021

---

**Auditor**

The auditor, Cooper Parry Group Limited, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on 5 July 2021 and signed on their behalf by:



**Rev D Devenney**  
Trustee

---

## THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM

---

### INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM

---

#### Opinion

We have audited the financial statements of The Johnson or Secular Clergy Association of the Archdiocese of Birmingham (the 'charity') for the year ended 31 March 2021 which comprise the Statement of financial activities, the Balance sheet and the related notes, 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).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity'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 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 United Kingdom, including the Financial Reporting Council'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.

---

## THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM

---

### INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM (CONTINUED)

---

#### **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.

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

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

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees**

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

---

## THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM

---

### INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM (CONTINUED)

---

#### **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.

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

Our assessment focussed on key laws and regulations the Charity has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Charities Act 2011, Charities (Accounts and Reports) Regulations 2008, Charities (Protection and Social Investment) Act 2016, taxation legislation, data protection, anti-bribery and employment legislation.

We are not responsible for preventing irregularities. Our approach to detecting irregularities included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the Charity and how the Charity is complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- obtaining an understanding of the Charity's control environment and how the Charity has applied relevant control procedures, through discussions with Trustees and management and by performing walkthrough testing over key areas;
- obtaining an understanding of the Charity's risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year; and
- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of activities and reviewing accounting estimates for bias.

Whilst considering how our audit work addressed the detection of irregularities, we also considered the likelihood of detection based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

---

THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM

---

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE JOHNSON OR SECULAR CLERGY  
ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM (CONTINUED)

---

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's report.

**Use of our report**

This report is made solely to the charity's trustees, 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 Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



**Cooper Parry Group Limited**

Chartered Accountants  
Statutory Auditor  
One Central Boulevard  
Blythe Valley Business Park  
Solihull  
West Midlands  
B90 8BG

5 July 2021

Cooper Parry Group Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM

STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2021

	Note	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>Income from:</b>				
Donations and legacies	3	115,863	115,863	122,383
Investments	4	315,336	315,336	379,675
		<u>431,199</u>	<u>431,199</u>	<u>502,058</u>
<b>Total income</b>				
<b>Expenditure on:</b>				
Raising funds	5	40,453	40,453	42,360
Charitable activities	6	399,650	399,650	450,683
		<u>440,103</u>	<u>440,103</u>	<u>493,043</u>
<b>Total expenditure</b>				
<b>Net (expenditure)/income before net gains/(losses) on investments</b>				
		(8,904)	(8,904)	9,015
Net gains/(losses) on investments	9	3,275,445	3,275,445	(1,463,005)
		<u>3,266,541</u>	<u>3,266,541</u>	<u>(1,453,990)</u>
<b>Net movement in funds</b>				
<b>Reconciliation of funds:</b>				
Total funds brought forward		14,536,255	14,536,255	15,990,245
Net movement in funds		3,266,541	3,266,541	(1,453,990)
		<u>17,802,796</u>	<u>17,802,796</u>	<u>14,536,255</u>
<b>Total funds carried forward</b>				

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

The notes on pages 17 to 25 form part of these financial statements.

THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM

BALANCE SHEET  
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Investments	9	16,851,887	13,616,895
		<u>16,851,887</u>	<u>13,616,895</u>
<b>Current assets</b>			
Debtors	10	88,878	172,464
Cash at bank and in hand		880,095	767,960
		<u>968,973</u>	<u>940,424</u>
Creditors: amounts falling due within one year	11	(18,064)	(21,064)
<b>Net current assets</b>		<u>950,909</u>	<u>919,360</u>
<b>Total net assets</b>		<u><u>17,802,796</u></u>	<u><u>14,536,255</u></u>
<b>Charity funds</b>			
Unrestricted funds	12	17,802,796	14,536,255
<b>Total funds</b>		<u><u>17,802,796</u></u>	<u><u>14,536,255</u></u>

The financial statements were approved and authorised for issue by the Trustees on 05 July 2021 and signed on their behalf by:

Rev D Devenney  
Trustee

The notes on pages 17 to 25 form part of these financial statements.

*Desmond Devenney*

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021

---

**1. Accounting policies**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Johnson or Secular Clergy Association of the Archdiocese of Birmingham meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

**1.2 Going concern**

The financial statements have been prepared on a going concern basis under the historical cost basis of accounting rules modified to account for investments at fair value. Each year the Trustees review the value of the investment portfolio in conjunction with the investment managers and the availability of cash in the short term to ensure the Charity is a going concern. At the time of signing these financial statements, the Trustees have considered the effect of the COVID-19 pandemic on the going concern position and consider that the Charity will be able to continue to operate for a period of at least 12 months from the date of signing these financial statements. The Charity has a strong cash position of £880,095 and net assets of £17.8m and on that basis, the Trustees have prepared these financial statements on a going concern basis.

**1.3 Income**

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021

---

**1. Accounting policies (continued)**

**1.3 Income (continued)**

charity's right to receive payment is established.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

**1.4 Expenditure**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds
- Expenditure on charitable activities

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

Costs of raising funds comprise fees paid to the charity's investment managers.

Charitable activities and Governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

**1.5 Investments**

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

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

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

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021

---

**1. Accounting policies (continued)**

**1.5 Investments (continued)**

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

Investments are stated at market value as at the balance sheet date. The statement of financial activities includes the net gains and losses arising on the revaluation and disposals throughout the year.

**1.6 Debtors**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure

**1.7 Cash at bank and in hand**

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

**1.8 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021

---

**1. Accounting policies (continued)**

**1.9 Fund accounting**

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 comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

**1.10 Tax**

The charity is a charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

**2. Information regarding employees and trustees**

The Association has no employees.

During the year Rev P Fitzpatrick and Rev J Gilbert received an Honorarium of £2,500 (2020:£2,000) and £2,500 (2020: £1,000) respectively. No trustee or person related or connected by business to them has received any remuneration from the Association during the year.

The Association is grateful for the valuable support of volunteer workers engaged in various fundraising activities.

---

**THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

---

**3. Income from donations and legacies**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Appeals - November collection	14,082	14,082	55,843
Parish levy	53,200	53,200	53,600
Donations	15,673	15,673	9,374
Legacies	32,908	32,908	3,566
<b>Total 2021</b>	115,863	115,863	122,383
<b>Total 2020</b>	122,383	122,383	

**4. Investment income**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Income from listed investments	314,927	314,927	378,285
Bank interest	409	409	1,390
	315,336	315,336	379,675
<b>Total 2020</b>	379,675	379,675	

**5. Investment management costs**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Investment management fees	40,453	40,453	42,360
<b>Total 2020</b>	42,360	42,360	

THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021

6. Analysis of charitable expenditure

	Grant making 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Grants paid	379,291	20,359	399,650	450,683
<b>Total 2020</b>	<b>433,174</b>	<b>17,509</b>	<b>450,683</b>	

Analysis of support costs

	Grant making 2021 £	Total funds 2021 £	Total funds 2020 £
Legal and professional	6,453	6,453	4,932
Bank charges	1,368	1,368	438
Trustee meeting costs	248	248	1,289
Audit	7,290	7,290	7,850
Honarariums	5,000	5,000	3,000
	<u>20,359</u>	<u>20,359</u>	<u>17,509</u>
<b>Total 2020</b>	<b>17,509</b>	<b>17,509</b>	

7. Auditor's remuneration

	2021 £	2020 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	7,290	7,850

8. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 March 2021, no Trustee expenses have been incurred (2020 - £NIL).

---

**THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

---

**9. Fixed asset investments**

	<b>Listed investments £</b>
<b>Cost or valuation</b>	
At 1 April 2020	13,616,895
Additions	1,039,820
Disposals	(944,416)
Revaluations	3,275,445
Movement in cash	(135,857)
At 31 March 2021	16,851,887

All the fixed asset investments are held in the UK.

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

The historical cost of investments at 31 March 2021 was £10,285,902 (2020: £10,204,959).

**10. Debtors**

	<b>2021 £</b>	<b>2020 £</b>
<b>Due within one year</b>		
Prepayments and accrued income	88,878	172,464
	88,878	172,464

**11. Creditors: Amounts falling due within one year**

	<b>2021 £</b>	<b>2020 £</b>
Accruals and deferred income	18,064	21,064
	18,064	21,064

THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021

12. Statement of funds

Statement of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Investment Fund	13,616,895	-	-	(40,453)	3,275,445	16,851,887
<b>General funds</b>						
General Funds	919,360	431,199	(440,103)	40,453	-	950,909
<b>Total Unrestricted funds</b>	<b>14,536,255</b>	<b>431,199</b>	<b>(440,103)</b>	<b>-</b>	<b>3,275,445</b>	<b>17,802,796</b>

Statement of funds - prior year

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2020 £
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Investment fund	15,121,191	-	-	(41,291)	(1,463,005)	13,616,895
<b>General funds</b>						
General Funds	869,054	502,058	(493,043)	41,291	-	919,360
<b>Total Unrestricted funds</b>	<b>15,990,245</b>	<b>-</b>	<b>(493,043)</b>	<b>-</b>	<b>(1,463,005)</b>	<b>14,536,255</b>

---

THE JOHNSON OR SECULAR CLERGY ASSOCIATION OF THE ARCHDIOCESE OF BIRMINGHAM

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021

---

13. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Total funds 2021 £
Fixed asset investments	16,851,887	16,851,887
Current assets	968,973	968,973
Creditors due within one year	(18,064)	(18,064)
<b>Total</b>	<u>17,802,796</u>	<u>17,802,796</u>

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Total funds 2020 £
Fixed asset investments	13,616,895	13,616,895
Current assets	940,424	940,424
Creditors due within one year	(21,064)	(21,064)
<b>Total</b>	<u>14,536,255</u>	<u>14,536,255</u>

14. Related party transactions

The Charity has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Charity at 31 March 2021.