

**THE CHARITY FOR LICENSED MINISTERS IN THE DIOCESE OF  
CHELMSFORD**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2021**

# THE CHARITY FOR LICENSED MINISTERS IN THE DIOCESE OF CHELMSFORD

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	The Lord Bishop of Chelmsford The Right Reverend the Bishop of Barking The Right Reverend the Bishop of Bradwell The Right Reverend the Bishop of Colchester The Very Reverend the Dean of Chelmsford The Venerable the Archdeacon of Barking The Venerable the Archdeacon of Chelmsford The Venerable the Archdeacon of Colchester The Venerable the Archdeacon of Harlow The Venerable the Archdeacon of Stansted The Venerable the Archdeacon of Southend The Venerable the Archdeacon of West Ham The Lay Chair of Chelmsford Diocesan Synod Barking Episcopal Area Lay Representative Barking Episcopal Area Clergy Representative Bradwell Episcopal Area Lay Representative Bradwell Episcopal Area Clergy Representative Colchester Episcopal Area Lay Representative Colchester Episcopal Area Clergy Representative LMDC Charity Hon Secretary LMDC Charity Hon Treasurer LMDC Charity Hon Assistant Secretary
<b>Secretary</b>	Revd Canon Martin Wood
<b>Charity number</b>	239238
<b>Principal address</b>	Guy Harlings 53 New Street Chelmsford Essex CM1 1AT
<b>Auditor</b>	LB Group Limited (Chelmsford) Swift House Ground Floor 18 Hoffmanns Way Chelmsford Essex UK CM1 1GU
<b>Bankers</b>	Barclays Bank Plc 59 Newham Street Witham Essex CM8 2AJ

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# THE CHARITY FOR LICENSED MINISTERS IN THE DIOCESE OF CHELMSFORD

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# THE CHARITY FOR LICENSED MINISTERS IN THE DIOCESE OF CHELMSFORD

## TRUSTEES' REPORT

### *FOR THE YEAR ENDED 31 MARCH 2021*

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The trustees present their report and financial statements for the year ended 31 March 2021.

First, we are delighted to report that, on 23rd March 2021, the trustees appointed the Revd John Fry as the new honorary treasurer of the charity. Revd Fry is currently vicar of the Theydon parishes in the deanery of Epping Forest and Ongar. On his appointment, the trustee body thanked him for agreeing to be treasurer and wished him well in his new role.

From the beginning of August 2020, the trustees engaged the Accountancy Services of Community 360 for 2 hours per month at £25 per hour, plus £30 per hour for any extra hours

- Keeping up-to-date records of financial transactions using Sage software currently owned by the charity
- Analysing the donations made by individuals and by PCCs (by deanery) compared with recent years.
- Analysing grants made, making comparisons with recent years
- Preparing reports for trustee meetings.
- Preparing the annual report and annual accounts for the AGM of the charity
- Claiming Gift Aid

The 2020-21 financial year was unique in that the nation and, indeed, the world, was in the grip of the COVID-19 pandemic. The government locked the country down three times in the year, during which only essential services and businesses were allowed to operate as normal. Other businesses, schools, churches and institutions were closed, with many citizens required to stay at home.

The history of the pandemic, which was still ongoing at the end of the financial year, will be told elsewhere. It is outlined briefly here because the activities of the LMDC Charity were affected by it, and, as will be seen in the financial statements, our income was adversely affected.

I would like to express my grateful thanks to everyone who has supported the charity over such a difficult year, whether by making a donation or by serving as a trustee or as a deanery rep. Your generosity and service are very gratefully acknowledged; and, in particular, thank you to my fellow officers, Revd Simon Law (assistant secretary) who very ably administers the Summer Round of grants, and Revd Paul Greenland, our outgoing treasurer, who ended his tenure of office in July 2020. My thanks, also to Revd John Fry for agreeing to take up the role. Finally, I would like to thank Claire Hazell, accountant with Community 360, for her bookkeeping for the charity.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the the charity's governing document, Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)"

#### **Objectives and activities**

The purpose of the charity continues to be to provide financial assistance to those in licensed or beneficed ministry in the Chelmsford diocese when they face financial crisis or challenge.

At the start of the school year we make a general round of payments to help with the cost of bringing up children. An annual award is also made to the Archdeacons' holiday assistance funds, used to help ministers with family holidays. Licensed and beneficed ministers, and their surviving dependants, may be considered for immediate assistance to help with exceptional expenditure occasioned by circumstance, sickness or accident.

We also address issues faced by single people and those whose own parents are now among their dependants. We can help all who are licensed or beneficed within the Diocese of Chelmsford, whether self-financing, employed or stipendiary, single or married, with dependants or without.

Our support for stipendiary ministers extends into retirement and continues after death to provide grants for surviving spouses and dependent children. By this means we maintain links with all who have served here even if they retired to other places. Those who move into this diocese without a qualifying appointment are not eligible for financial help, even if granted 'Permission to Officiate'.

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# THE CHARITY FOR LICENSED MINISTERS IN THE DIOCESE OF CHELMSFORD

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2021**

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### **Public benefit**

The Charity has fully complied with its obligation under section 4 of the Charities Act 2006 to have regard to the guidance on public benefit published by the Charity Commission. Although our beneficiaries constitute a defined set, their work touches upon the life of the whole communities represented by the Diocese of Chelmsford. Ministers, in the Church of England, are expected – and, in some instances, legally required – to respond to the pastoral and social needs of all who live within their parish. This may include members of other faiths and those with no visible evidence of religious observance. At the service of welcome held for a newly-arrived parish priest, leaders from the local community step forward to offer a few words of greeting. They look forward to working in partnership with the new minister, and it is important for ministers to receive affirmation in their broader civic role, with freedom from acute financial concerns that may arise through illness, hardship or other personal distress.

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

### **Financial review**

The LMDC Charity receives income from its historic assets and from donations. The historic assets are invested in a fund, managed by Sarasin who, despite fluctuations in the financial markets, has ensured a good return. The income from these investments, however, may be affected by falling dividend rates. The good management of the portfolio has meant that the charity has been able to draw down some funds to enable its grant making abilities. During the year, the charity drew down £10,000 from its invested portfolio, and transferred £15,000 from its account with CCLA so that it could continue to make grants at previous levels

We know that the activities of the charity would be significantly curtailed without donations, and we are immensely grateful for the generosity of many parishes, individuals, and charitable trusts in these difficult times. Due, we suspect, to the pandemic, income from donations has fallen from over £35k in 2019-20 to a little over £18.5k in 2020-21.

Policies in place during the year under report were as follows:

### **Reserves policy**

The level of expenditure should be set at a level such that, in the long term, the assets of the charity are maintained in real terms, thus preserving grant making capability for future beneficiaries.

### **Ethical policy**

We look to our investment managers to pursue a socially responsible investment policy. We encourage them to favour organisations that act with sensitivity towards the communities within which they operate, and display a good track record in terms of employment practices, corporate governance, environmental practices, and respect for humanity. We wish to avoid investments that would bring us into conflict with the ethical ethos of the Church of England. In particular, we want to avoid drawing any significant income from tobacco, pornography, armaments, gambling or alcoholic beverages.

# THE CHARITY FOR LICENSED MINISTERS IN THE DIOCESE OF CHELMSFORD

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2021**

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### **Risk assessment policy**

The trustees examine the major risks that the Charity faces in each financial year when preparing and updating its budget. The Charity has developed systems to monitor and control those risks to mitigate any impact that they have on the operations of the Charity in the future – our 'blue skies' thinking reaches out to a risk horizon of 2027.

We have successfully implemented a number of internal checks to deliver full compliance with public expectations, and the annual exchange of ideas and opinions during the course of the Annual General Meeting and Trustees meetings is valued by all concerned. The Trustees have encouraged the officers to continue codifying their systems of monitoring and control, to secure compliance with best practice within the charitable sector.

### **Privacy Policy**

The processing of personal data is governed by the General Data Protection Regulation (the "GDPR"), and the trustees have adopted a privacy policy and good practise to comply with the regulations. The full policy is set out on the charity's website <https://www.lmdccharity.org.uk/privacy-policy>

### **Safeguarding**

The trustees are committed to Safeguarding Children, Young People, Victims/perpetrators of Domestic Abuse and Vulnerable Adults. The trustee body has adopted the Church of England's policies and best practice on safeguarding which may be found on the Church of England's website: <https://www.churchofengland.org/more/safeguarding>

### **In conclusion**

In recent years, up until the pandemic, we had become the charity of choice at inductions and other services of welcome, and from other special occasions such as Deanery Confirmations, first celebrations of Holy Communion by newly ordained Priests, and thanksgiving for a ministry that has closed through retirement or death. As has been reported this has been much curtailed by the pandemic, but where it has been possible we thank our Bishops, Archdeacons and Area Deans. We are also grateful for much other practical support and encouragement

Good work, too, by the charity's representatives appointed by each Deanery (listed below and please help us fill any vacancies!). We are also grateful to PCCs, individuals (many of whom are able to Gift Aid their contributions) and a range of charities and trusts who enable us to make particular grants, e.g. in support of those suffering from ill health. Our core team of officers works hard to ensure that grants are made with care and sensitivity to those who need them most, following the guidelines set by the trustees and subject to the formal definitions laid down in the Charity's instrument of government.

The Trustees of the Charity intend that the real value of their assets be maintained and enhanced over the long term by investment in a portfolio comprised of equities, fixed income stocks, other assets, and cash, offering periodic income distribution and scope to tap into accumulated capital growth on occasions where this can be done without favouring the interests of present beneficiaries at the expense of future beneficiaries over the longer term.

# THE CHARITY FOR LICENSED MINISTERS IN THE DIOCESE OF CHELMSFORD

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2021**

### Structure, governance and management

The charity was founded in 1747 and re-constituted by Act of Parliament in 1917, following the creation of the Diocese of Chelmsford in 1914. From 1st April 2018, following a review of Governance, and with the approval of the Charity Commission, the governors became trustees. On 25th February 2020, the Charity Commission accepted the trustees' scheme to change the name of the charity to the Charity for Licensed Ministers in the Diocese of Chelmsford, and to change its objects so that we can now also help some ministers that are licensed but not ordained, as well as clergy. The charity number is unchanged: 239238

The trustees who served during the year were:

The Lord Bishop of Chelmsford	Rt. Revd Stephen Cottrell (Retired July 2020)
The Right Reverend the Bishop of Barking	Rt. Revd Peter Hill
The Right Reverend the Bishop of Bradwell	Rt. Revd John Perumbalath
The Right Reverend the Bishop of Colchester	Rt. Revd Roger Morris
The Very Reverend the Dean of Chelmsford	Very Revd Nicholas Henshall
The Venerable the Archdeacon of Barking	Ven. Christopher Burke
The Venerable the Archdeacon of Chelmsford	Ven. Elizabeth Snowden
The Venerable the Archdeacon of Colchester	Ven. Ruth Patten
The Venerable the Archdeacon of Harlow	Ven. Vanessa Herrick
The Venerable the Archdeacon of Stansted	Ven. Robin King
The Venerable the Archdeacon of Southend	Ven. Mike Lodge
The Venerable the Archdeacon of West Ham	Ven. Elwin Cockett
The Lay Chair of Chelmsford Diocesan Synod	Canon Robert Hammond
Barking Episcopal Area Lay Representative	Mr. John Meadway
Barking Episcopal Area Clergy Representative	Rev. Richard Wyber F.C.A.
Bradwell Episcopal Area Lay Representative	Canon Christine Horton
Bradwell Episcopal Area Clergy Representative	Rev. Canon Nick Rowan
Colchester Episcopal Area Lay Representative	Mr. Nigel Dyson
Colchester Episcopal Area Clergy Representative	Rev. Christopher Brown (Retired Sept 2020)
LMDC Charity Hon Secretary	Rev. Canon N. Martin Wood
LMDC Charity Hon Treasurer	Rev. Paul Greenland (Retired July 2020)
LMDC Charity Hon Assistant Secretary	Rev. Simon Law

The trustees met four times in 2020-21, with meetings in, June, September, November and March. The officers met a week or two before each trustee meeting.

The accounts follow the tax year, to March 31st. The investments are managed by Sarasin.

The annual meeting was on 6th October 2020. The annual meeting was open to all, and the trustees specifically invited the deanery representatives.

# THE CHARITY FOR LICENSED MINISTERS IN THE DIOCESE OF CHELMSFORD

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2021**

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### **The trustees**

The Trustee Body, responsible for the administration and management of the charity, shall, when complete consist of:

### **Ex-officio**

The Lord Bishop of Chelmsford (president) and the Area Bishops of the Diocese  
The Dean of Chelmsford  
The Archdeacons of the Diocese

### **Nominated**

The president of the charity can nominate up to four trustees

### **Representative trustees**

Two representative trustees shall be appointed for each of the three Episcopal Areas by the Area Bishop. Each Area Bishop may, if so desired, signify their own person as one of the two appointments in their gift

### **Co-opted trustees**

The trustees can co-opt up to four persons, who shall be members of the Church of England, and can be lay or ordained

This is the 273rd annual report of the charity. After it has been adopted by the annual meeting it will be posted on the website of the charity [www.lmdccharity.org](http://www.lmdccharity.org)

The trustees report was approved by the trustees on 9th September 2021

the Revd Canon Martin Wood,  
Hon. Secretary  
on behalf of the Officers and Trustees of the Charity  
The trustees' report was approved by the Board of Trustees.

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Trustee

Dated: .....

# **THE CHARITY FOR LICENSED MINISTERS IN THE DIOCESE OF CHELMSFORD**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 MARCH 2021***

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

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the the charity and of the incoming resources and application of resources of the the charity for that year.

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

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

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



# THE CHARITY FOR LICENSED MINISTERS IN THE DIOCESE OF CHELMSFORD

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF THE CHARITY FOR LICENSED MINISTERS IN THE DIOCESE OF CHELMSFORD

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#### Opinion

We have audited the financial statements of The Charity For Licensed Ministers In The Diocese Of Chelmsford (the 'the charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 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 the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

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

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

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

#### Other information

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

We have nothing to report in this regard.

# THE CHARITY FOR LICENSED MINISTERS IN THE DIOCESE OF CHELMSFORD

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF THE CHARITY FOR LICENSED MINISTERS IN THE DIOCESE OF CHELMSFORD

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

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

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

#### **Responsibilities of trustees**

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

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

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

We have been appointed as auditor under section 145 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 extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

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

# THE CHARITY FOR LICENSED MINISTERS IN THE DIOCESE OF CHELMSFORD

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF THE CHARITY FOR LICENSED MINISTERS IN THE DIOCESE OF CHELMSFORD

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#### Other matters

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, incorporated the following:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the charity through discussions with trustees;
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity.
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of trustees and inspecting legal correspondence;
- Identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- Making enquiries of trustees as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, our work included:

- Performance of analytical procedures to identify any unusual or unexpected relationships;
- Testing journal entries to identify unusual transactions. Investigated the rationale behind significant or unusual transactions;
- Observation and identification of internal controls in place.
- An assessment of whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting evidence;
- Enquiring of trustees as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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



# THE CHARITY FOR LICENSED MINISTERS IN THE DIOCESE OF CHELMSFORD

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF THE CHARITY FOR LICENSED MINISTERS IN THE DIOCESE OF CHELMSFORD


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Your attention is drawn to the fact that the charity has prepared financial statements 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)" (as amended) 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 now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

**LB Group Limited (Chelmsford)**

**Chartered Accountants  
Statutory Auditor**

  
24/9/2021  
Swift House  
Ground Floor  
18 Hoffmanns Way  
Chelmsford  
Essex  
UK  
CM1 1GU

LB Group Limited (Chelmsford) is eligible for appointment as auditor of the the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

# THE CHARITY FOR LICENSED MINISTERS IN THE DIOCESE OF CHELMSFORD

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
<b><u>Income from:</u></b>							
Donations	3	18,648	-	18,648	35,666	-	35,666
Investments	4	21,007	819	21,826	21,431	830	22,261
<b>Total income</b>		<b>39,655</b>	<b>819</b>	<b>40,474</b>	<b>57,097</b>	<b>830</b>	<b>57,927</b>
<b><u>Expenditure on:</u></b>							
Charitable activities	5	47,196	-	47,196	59,308	168	59,476
Net gains/(losses) on investments	8	122,263	4,776	127,039	(29,800)	(1,166)	(30,966)
<b>Net movement in funds</b>		<b>114,722</b>	<b>5,595</b>	<b>120,317</b>	<b>(32,011)</b>	<b>(504)</b>	<b>(32,515)</b>
Fund balances at 1 April 2020		626,868	30,459	657,327	658,879	30,963	689,842
<b>Fund balances at 31 March 2021</b>		<b>741,590</b>	<b>36,054</b>	<b>777,644</b>	<b>626,868</b>	<b>30,459</b>	<b>657,327</b>

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

All income and expenditure derive from continuing activities.

# THE CHARITY FOR LICENSED MINISTERS IN THE DIOCESE OF CHELMSFORD

## BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Investments	9		716,230		599,191
<b>Current assets</b>					
Debtors	10	-		338	
Cash at bank and in hand		61,573		57,907	
		<u>61,573</u>		<u>58,245</u>	
<b>Creditors: amounts falling due within one year</b>	11	<u>(159)</u>		<u>(109)</u>	
Net current assets			61,414		58,136
<b>Total assets less current liabilities</b>			<u>777,644</u>		<u>657,327</u>
<b>Income funds</b>					
Restricted funds	12		36,054		30,459
Unrestricted funds			741,590		626,868
			<u>777,644</u>		<u>657,327</u>

The financial statements were approved by the Trustees on .....

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Trustee

# THE CHARITY FOR LICENSED MINISTERS IN THE DIOCESE OF CHELMSFORD

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>					
Cash absorbed by operations	15		(28,160)		(22,844)
<b>Investing activities</b>					
Proceeds on disposal of investments		10,000		10,000	
Interest received		21,826		22,261	
<b>Net cash generated from investing activities</b>			31,826		32,261
<b>Net cash used in financing activities</b>			-		-
<b>Net increase in cash and cash equivalents</b>			3,666		9,417
Cash and cash equivalents at beginning of year			57,907		48,490
<b>Cash and cash equivalents at end of year</b>			61,573		57,907

# THE CHARITY FOR LICENSED MINISTERS IN THE DIOCESE OF CHELMSFORD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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### 1 Accounting policies

#### Charity information

The Charity For Licensed Ministers In The Diocese Of Chelmsford is a an unincorporated charity

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the the charity's Royal Charter, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The the charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

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

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the the charity.

#### 1.4 Incoming resources

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

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

Legacies are recognised on receipt or otherwise if the the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

# THE CHARITY FOR LICENSED MINISTERS IN THE DIOCESE OF CHELMSFORD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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### 1 Accounting policies

(Continued)

#### 1.5 Resources expended

Expenditure is accounted for on an accrual basis and is recognised in the statement of financial activities when there is a legal or constructive obligation to pay. Expenditure has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of those resources.

Costs of generating voluntary income represent the costs of securing donations together with the associated support costs.

Charitable activities include all costs incurred in activities directed at achieving the charitable objects of the charity.

Governance costs are those costs relating to the governance infrastructure which allows the charity to operate and to generate the information required for the public accountability.

Support costs comprise those costs relating to the direct management and general running of the charity. They are allocated across the expense category on a basis which reflects their effective contribution to that expense category.

#### 1.6 Cash and cash equivalents

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

#### 1.7 Financial instruments

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

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

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

##### **Basic financial assets**

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

##### **Basic financial liabilities**

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

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

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

# THE CHARITY FOR LICENSED MINISTERS IN THE DIOCESE OF CHELMSFORD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 1 Accounting policies

(Continued)

#### **Derecognition of financial liabilities**

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

### 1.8 Taxation

The charity's activities fall within the exemptions afforded by the provisions of the Income and Corporation Taxes Act 1988. Accordingly, there is no taxation charge in these accounts.

### 2 Critical accounting estimates and judgements

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

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

### 3 Donations

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Donations and gifts	18,648	35,666

### 4 Investments

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Income from listed investments	21,007	-	21,007	21,431	-	21,431
Income from unlisted investments	-	819	819	-	830	830
	21,007	819	21,826	21,431	830	22,261

# THE CHARITY FOR LICENSED MINISTERS IN THE DIOCESE OF CHELMSFORD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 5 Charitable activities

	2021 £	2020 £
Activities undertaken directly	42,133	53,979
Share of support costs (see note 6)	51	1,426
Share of governance costs (see note 6)	5,012	4,071
	<u>47,196</u>	<u>59,476</u>
<b>Analysis by fund</b>		
Unrestricted funds	47,196	59,308
Restricted funds	-	168
	<u>-</u>	<u>168</u>

### 6 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Committee expenses	11	-	11	1,286	-	1,286
Bank charges	40	-	40	140	-	140
Audit fees	-	2,394	2,394	-	2,226	2,226
Printing fees	-	285	285	-	609	609
Admin wages	-	-	-	-	317	317
Subscriptions	-	85	85	-	85	85
Meeting expenses	-	-	-	-	168	168
Bookkeeping fees	-	313	313	-	-	-
Website costs	-	1,935	1,935	-	666	666
	<u>51</u>	<u>5,012</u>	<u>5,063</u>	<u>1,426</u>	<u>4,071</u>	<u>5,497</u>
Analysed between						
Charitable activities	51	5,012	5,063	1,426	4,071	5,497
	<u>51</u>	<u>5,012</u>	<u>5,063</u>	<u>1,426</u>	<u>4,071</u>	<u>5,497</u>

There is a balance of £11 included in the above (2020: £1,286) relating to expenses paid to the trustees during the year for administration costs.

Governance costs includes payments to the auditors of £2,394 (2020- £2,226) for audit fees.

### 7 Trustees

None of the trustees (or any persons connected with them) received any remuneration from the the charity during the year.



# THE CHARITY FOR LICENSED MINISTERS IN THE DIOCESE OF CHELMSFORD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 8 Net gains/(losses) on investments

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Revaluation of investments	122,263	4,776	127,039	(29,800)	(1,166)	(30,966)

### 9 Fixed asset investments

	Unlisted investments £
<b>Cost or valuation</b>	
At 1 April 2020	599,191
Valuation changes	117,039
At 31 March 2021	716,230
<b>Carrying amount</b>	
At 31 March 2021	716,230
At 31 March 2020	599,191

### 10 Debtors

	2021 £	2020 £
<b>Amounts falling due within one year:</b>		
Other debtors	-	338

### 11 Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals and deferred income	159	109

### 12 Restricted funds

Included in investments is an amount which is treated as a restricted fund.

# THE CHARITY FOR LICENSED MINISTERS IN THE DIOCESE OF CHELMSFORD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 13 Analysis of net assets between funds

	Unrestricted funds	Restricted	Total	Unrestricted	Restricted	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Fund balances at 31 March 2021 are represented by:						
Investments	680,176	36,054	716,230	568,732	30,459	599,191
Current assets/ (liabilities)	61,414	-	61,414	58,136	-	58,136
	<u>741,590</u>	<u>36,054</u>	<u>777,644</u>	<u>626,868</u>	<u>30,459</u>	<u>657,327</u>

### 14 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).

### 15 Cash generated from operations

	2021 £	2020 £
Surplus/(deficit) for the year	120,317	(32,515)
Adjustments for:		
Investment income recognised in statement of financial activities	(21,826)	(22,261)
Fair value gains and losses on investments	(127,039)	30,966
Movements in working capital:		
Decrease in debtors	338	916
Increase in creditors	50	50
<b>Cash absorbed by operations</b>	<u>(28,160)</u>	<u>(22,844)</u>

### 16 Analysis of changes in net funds

The the charity had no debt during the year.