

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

Charity Number: 239238

**ACCOUNTS FOR THE YEAR ENDED
31 MARCH 2022**



THE CHARITY FOR LICENSED MINISTERS IN THE DIOCESE OF CHELMSFORD

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THE CHARITY FOR LICENSED MINISTERS IN THE DIOCESE OF CHELMSFORD

LEGAL AND ADMINISTRATIVE INFORMATION FOR THE YEAR ENDED 31 MARCH 2022

Trustees

The Lord Bishop of Chelmsford
The Right Reverend of the Bishop of Barking
The Right Reverend of the Bishop of Bradwell
The Right Reverend of 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

Principal address

Guy Hardings
53 New Street
Chelmsford
Essex
CM1 1AT

Charity Registration Number

1093240

Independent Examiner

Community360
Winsley's House
High Street
Colchester
Essex, CO1 1UG

THE CHARITY FOR LICENSED MINISTERS IN THE DIOCESE OF CHELMSFORD

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2022

The trustees present their report and financial statement for the year ended 31st March 2022

This is my final annual report, as I am stepping down from my role as Honorary Secretary in May 2022. It has been a privilege to serve this great charity for the last five years, during which time we have been able to help many clergy, and, latterly, some lay ministers with financial challenges. We have also changed our name, amended our objects, and created a brand-new website. I have had wonderful support over the last year from my fellow officers – John Fry, our treasurer who ably manages our finances, and Simon Law, our assistant secretary who, equally ably, administers the Summer Round of Grants.

All three of us know what a valuable service the charity gives to the ministers of Essex. Indeed, it helped me and my wife on a number of occasions in the 1980s, when we had a young family, and struggled to afford a family holiday. Today, the archdeacons administer the money we give to help with family holidays. We also give many other grants to young families in our Summer Round of grants. We help at the beginning and the end of life, and we can offer help when ministers face an emergency or a crisis. Full details of the grants that we offer can be found in the 'how can we help' section of our website at <https://www.lmdccharity.org.uk/grants>

We have significant historic assets, invested in an endowment fund administered by Sarasin. One of our trustees Richard Wyber, has valuable expertise in investments, and I am grateful to him for the help he gives us in making sure that our historic assets are wisely invested. However, in the current economic climate, the trustees have been advised that the income we receive from these assets will drop by 7.6% in the coming months, which is a matter of some concern and will result in the Charity relying more on donations and collections to maintain its level of grants.

I would like to express my grateful thanks to everyone who has supported the charity over the past year, whether by giving 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 John Fry, for whom this has been the first year as our treasurer, a role that he has quickly and very ably picked up and Revd Simon Law (assistant secretary) who has worked for many years for the Charity. Finally, I would like to thank Claire Hazell, accountant with Community 360, for her bookkeeping for the charity.

The Revd Canon N. Martin Wood
Honorary Secretary

Objectives and activities

Scope and function of the Charity

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

THE CHARITY FOR LICENSED MINISTERS IN THE DIOCESE OF CHELMSFORD

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2022

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'.

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.

Financial review

The LMDC Charity receives income from its historic assets and from donations. The historic assets are invested in an endowment 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.

Donations to the charity come from four sources

- Donations from PCCs: Many PCCs faced a fall in income this year due to the ongoing COVID 19 pandemic. There were periods of closure, and when churches were open, some found that numbers failed to return to pre-pandemic levels. Income has been affected, and, consequently, the amount donated to the Charity
- Collections at special services (e.g. to welcome a new vicar): This source of income is picking up, but is not yet at pre-pandemic levels.
- Donations from individuals
- Donations from charitable trusts

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. Donations in 2020-21 were a little over £18.5k; donations in 2021-22 were a little over £20.5k.

THE CHARITY FOR LICENSED MINISTERS IN THE DIOCESE OF CHELMSFORD

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2022

We give grants in a number of different circumstances, as follows

- Fixed grants at the birth of a child to those in stipendiary ministry
- Fixed grants, to the next of kin, at the death of a minister whose last post was in the diocese and who received a stipend
- Grants can be applied for by those retiring from stipendiary ministry
- Means-tested grants are made in our 'Summer Round' to ministers' families in a variety of different ways – children's grants, children's clothing, school outings, and visits to universities or colleges. The form is available to download from the Resources section of our new website in late spring each year
- We give an agreed amount (£15,000 in 2022-23) to the archdeacons for them to distribute grants to help towards the costs of ministers' family holidays
- We help the widows or widowers of those who were in stipendiary ministry and whose last post was in Chelmsford Diocese
- We give compassionate and emergency grants in times of crisis

The Charity no longer gives automatic grants to those retiring from stipendiary ministry, or Christmas gifts to the widows of stipendiary ministers whose last post was in the diocese. However, we are anxious to make sure that those in need of our help are encouraged to get in touch, either directly, or through their area bishop or archdeacon.

The Summer Round of grants to clergy families was also slightly down. This might be because some of our clergy families no longer meet our means-testing criteria; or it might mean that there are fewer clergy families in the diocese. It might also be because some of our Summer Round grants are for children in specific school years, which, of course, varies year by year. We get a good number of applications from all across the diocese, which suggests that the availability of this set of grants is widely known.

The amount that we gave in emergency and compassionate grants was down on the previous year.

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

Reserves policy

The expenditure of the Charity 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.

Investment policy

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 ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2022

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, alcoholic beverages, employee exploitation or adversely affecting climate change

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 2028.

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, with generous collections being made. This can also happen at other special

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TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2022

In those deaneries that we have deanery reps, we are grateful for the good work that they do. However, as will be seen below, ten of our deaneries only have one deanery rep, and the following deaneries do not, as far as we are aware, have any deanery rep: Waltham Forest, Harlow, Maldon & Dengie, Hadleigh, Southend, Colchester, Hinkford, Dunmow & Stansted, and Saffron Walden. This is worrying, as our deanery reps not only keep the needs of the charity on the deanery and parish agenda, but they also make aware those who might be eligible for our help.

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

Deanery representatives

Deanery	Clergy representative	Lay representative
Barking and Dagenham	Chris Bolster	Vacancy
Havering	Vacancy	Lynne Bennett
Newham	David Haokip	John Meadway
Redbridge	Richard Wyber	Vacancy
Waltham Forest	Vacancy	Vacancy
Epping Forest and Ongar	Charlie Kosla	Vacancy
Harlow	Vacancy	Vacancy
Brentwood	Vacancy	David Tee
Chelmsford	Terry Brown	Christine Horton
Maldon and Dengie	Vacancy	Vacancy
Basildon	Vacancy	Sarah Law
Hadleigh	Vacancy	Vacancy
Southend	Vacancy	Vacancy
Thurrock	Vacancy	Pam Kirby
Rochford	Nick Rowan	Vacancy
Witham	Simon Garwood	Isabel Adcock
Colchester	Vacancy	Vacancy
St Osyth	David Lower	Vacancy
Harwich	Vacancy	Nigel Dyson
Hinkford	Vacancy	Vacancy
Braintree	Tim Barnes	Chris Hutton
Dunmow and Stansted	Vacancy	Vacancy
Saffron Walden	Vacancy	Vacancy

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

THE CHARITY FOR LICENSED MINISTERS IN THE DIOCESE OF CHELMSFORD

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2022

The trustees who served during the year were:

The Lord Bishop of Chelmsford	Rt. Revd Guli Francis-Dehquani
The Right Reverend the Bishop of Barking	Rt. Revd Lynne Cullens (from March 2022)
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 (until October 2021)
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	The Revd Richard Wyber F.C.A.
Bradwell Episcopal Area Lay Representative	Canon Christine Horton
Bradwell Episcopal Area Clergy Representative	The Revd. Canon Nick Rowan
Colchester Episcopal Area Lay Representative	Mr. Nigel Dyson
Colchester Episcopal Area Clergy Representative	Post vacant
LMDC Charity Hon Secretary	The Revd Canon N. Martin Wood
LMDC Charity Hon Treasurer	The Revd John Fry
LMDC Charity Hon Assistant Secretary	The Revd Simon Law
Co-opted trustee (as of 11th January 2022)	

The trustees met four times in 2020-21, with meetings in, June, September, November and January. 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 12th October 2021. The annual meeting was open to all, and the trustees specifically invited the deanery representatives.

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

THE CHARITY FOR LICENSED MINISTERS IN THE DIOCESE OF CHELMSFORD

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2022

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.lmdcccharity.org

The trustees report was approved by the trustees on 13th September 2022

Signed



Malcolm Dulwich
Trustee

Date: 13th September 2022

THE CHARITY FOR LICENSED MINISTERS IN THE DIOCESE OF CHELMSFORD

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2022

Statement of the 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)

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

Select suitable accounting policies and then apply them consistently

Observe the methods and principles in the Charities SORP

Make judgements and estimates that are reasonable and prudent

State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

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

**THE CHARITY FOR LICENSED MINISTERS IN THE DIOCESE OF
CHELMSFORD
INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

I report on the accounts of The Charity for Licensed Ministers in the Diocese of Chelmsford for the year ended 31 March 2022 which are set out on pages 11 to 18.

Respective responsibilities of trustees and examiner

The Charity's Trustees are responsible for the preparation of the accounts. The Charity's Trustees consider that an audit is not required for this year (under section 144 (2) of the Charities Act 2011 (The Act) but that an independent examination is needed.

It is my responsibility to:

- Examine the accounts under section 145 of the Charities Act,
- To follow the procedures laid down in the General Directions given by the Charity Commissioners (under section 145(5)(b) of the Charities Act, and
- To state whether particular matters have come to my attention.

Basis of independent examiner's Statement

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the Charity and a comparison of the accounts presented with those records. It also includes considerations of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In the course of my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of the accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair' view which is not a matter considered as part of an independent examination.

I have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Shelley-Marie Rudling FMAAT AATQB for and on behalf of:

Community360

Winsley's House, High Street, Colchester, Essex



Date 18/10/2022

THE CHARITY FOR LICENSED MINISTERS IN THE DIOCESE OF CHELMSFORD

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Prior period Total Funds 2021 £
Incoming resources					
Incoming resources from generating funds:					
Donations	3	20,531	-	20,531	18,648
Investments	4	18,848	187	19,035	21,826
Total incoming resources		39,378	187	39,566	40,474
Resources expended					
Costs of charitable activities	7	40,012	-	40,012	47,196
Total resources expended		40,012	-	40,012	47,196
Net income/(expense) for the year		(633)	187	(446)	(6,722)
Net gains/(losses) on investments		14,678	1,345	16,023	127,039
Net movements in funds		14,044	1,532	15,576	120,317
Reconciliation of funds					
Total Funds B/Fwd		741,590	36,054	777,644	657,327
Total Funds C/Fwd		755,634	37,586	793,220	777,644

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

All income and expenditure derive from continuing activities

Notes on pages 13 to 18 are part of these accounts

THE CHARITY FOR LICENSED MINISTERS IN THE DIOCESE OF CHELMSFORD

BALANCE SHEET AS AT 31 MARCH 2022

		2022		2021	
	Notes	£	£	£	£
Fixed assets					
Investments	12		731,495		716,230
Current assets					
Debtors	13	-	-	-	-
Cash at bank and in hand		62,450		61,573	
		<u>62,450</u>		<u>61,573</u>	
Creditors: amounts falling due within one year	14	725		159	
Net current assets			61,725		61,414
Total assets less current liabilities			<u><u>793,220</u></u>		<u><u>777,644</u></u>
Funds of the charity:					
Unrestricted income funds					
Unrestricted funds			755,634		741,590
Restricted funds			<u>37,586</u>		<u>36,054</u>
Total funds	17		<u><u>793,220</u></u>		<u><u>777,644</u></u>

The financial statements were approved by the Trustees on 13th September 2022.....

..... 
Name: Malcolm Dulwich
Trustee

THE CHARITY FOR LICENSED MINISTERS IN THE DIOCESE OF CHELMSFORD

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

1 Accounting policies

Charity information

The Charity for Licensed Ministers in the Diocese of Chelmsford is an unincorporated charity.

1.1 Accounting convention

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

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

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 principle accounting policies are set out below.

The financial statements do not include a cash flow statement because the charity, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 "Cash flow statements".

1.2 Going concern

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

1.3 Charitable funds

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

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.

1.4 Income

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

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

THE CHARITY FOR LICENSED MINISTERS IN THE DIOCESE OF CHELMSFORD

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

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

1.6 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.

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

Governance costs include all 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.

1.7 Cash and cash equivalents

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

1.8 Tangible fixed assets and depreciation

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

THE CHARITY FOR LICENSED MINISTERS IN THE DIOCESE OF CHELMSFORD

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

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

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

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

Derecognition of financial liabilities

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

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.

1.9 Taxation

The charity activities fall within the exemptions afforded by the provision 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 charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of asset 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 Grant Income

	Unrestricted	Restricted	Total	Total
	2022	2022	2022	2021
	£	£	£	£
Donations and gifts	20,531	-	20,531	18,648
	<u>20,531</u>	<u>-</u>	<u>20,531</u>	<u>18,648</u>
Total 2021	<u>18,648</u>	<u>-</u>	<u>18,648</u>	

THE CHARITY FOR LICENSED MINISTERS IN THE DIOCESE OF CHELMSFORD

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

4. Investments	Unrestricted 2022 £	Restricted 2022 £	Total 2022 £	Total 2021 £
Income from listed investments	18,848	-	18,848	21,007
Income from unlisted investments	-	187	187	819
	18,848	187	19,035	21,826
Total 2021	21,007	819	21,826	
5. Charitable Activities	Unrestricted 2022 £	Restricted 2022 £	Total 2022 £	Total 2021 £
Emergency and compassionate grants	16,400	-	16,400	18,950
Children grants	11,560	-	11,560	11,020
Further education grants	5,200	-	5,200	7,200
Other grants	5,045	-	5,045	4,963
Support costs (see note 6)	197	-	197	51
Governance costs (see note 6)	1,610	-	1,610	5,012
	40,012	-	40,012	47,196
Total 2021	47,196	-	47,196	
6. Support costs	Support costs 2022 £	Governance costs 2022 £	Total 2022 £	Total 2021 £
Committee expenses	86	-	86	11
Bank charges	111	-	111	40
Audit fees	-	680	680	2,394
Printing fees	-	107	107	285
Admin wages	-	-	-	-
Subscriptions	-	-	-	85
Meeting expenses	-	240	240	-
Bookkeeping fees	-	538	538	313
Website costs	-	45	45	1,935
Analysed between charitable activities	197	1,610	1,807	5,063
Total 2021	51	5,012	5,063	

There is a balance of £86 included in the above (2021: £11) relating to expenses paid to the trustees during the year for administration costs and travel expenses.

Governance costs includes payments to the examiners of £500 (2021: £2,394) for audit fees.

THE CHARITY FOR LICENSED MINISTERS IN THE DIOCESE OF CHELMSFORD

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

7. Trustees

No trustees (or any persons connected with them) received any remuneration from the charity during the year.

8. Net gains/(losses) on investments

	Unrestricted 2022 £	Restricted 2022 £	Total 2022 £	Total 2021 £
Revaluation of investments	14,678	1,345	16,023	127,039
	<u>14,678</u>	<u>1,345</u>	<u>16,023</u>	<u>127,039</u>
Total 2021	<u>122,263</u>	<u>4,776</u>	<u>127,039</u>	

9. Fixed assets investments

	Unlisted investments £
Cost or valuation	
At 1 April 2021	716,230
Valuation changes	16,023
At 31 March 2022	<u>732,253</u>
Carrying amount	
At 31 March 2022	<u>732,253</u>
At 31 March 2021	<u>716,230</u>

10. Debtors

	Total 2022 £	Total 2021 £
Other debtors	-	-
	<u>-</u>	<u>-</u>

11. Creditors: amounts falling due within one year

	Total 2022 £	Total 2021 £
Accruals and deferred income	725	159
	<u>725</u>	<u>159</u>

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 FOR THE YEAR ENDED 31 MARCH 2022

13. Analysis of net assets between funds	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
Fund balances at 31 March 2022 are represented by:				
Investments	731,495	-	731,495	716,230
Current assets/(liabilities)	61,725	-	61,725	61,414
Total net assets	<u>793,220</u>	<u>-</u>	<u>793,220</u>	<u>777,644</u>

14. Related party transactions

There were no disclosable related party transactions during the year (2021 - none).

15. Cash generated from operations	2022 £	2021 £
Surplus/(deficit) for the year	15,576	120,317
Adjustments for:		
Investment income recognised in statement of financial activities	(19,035)	(21,826)
Fair value gains and losses on investments	(16,023)	(127,039)
Movements in working capital:		
Decrease in debtors	-	338
Increase in creditors	566	50
Cash absorbed by operations	<u>(18,915)</u>	<u>(28,160)</u>