

The Lectureship Endowment of Edward Lewis
Unaudited Financial Statements
31 December 2020

WALTER HUNTER & CO LIMITED

Chartered accountants
24 Bridge Street
Newport
South Wales
NP20 4SF

The Lectureship Endowment of Edward Lewis

Financial Statements

Year ended 31 December 2020

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The Lectureship Endowment of Edward Lewis

Trustees' Annual Report

Year ended 31 December 2020

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 December 2020.

Reference and administrative details

Registered charity name	The Lectureship Endowment of Edward Lewis
Charity registration number	259042
Principal office	Equity Chambers John Frost Square Newport Gwent NP20 1PW

The trustees

The Right Reverend Cherry Vann, Bishop of Monmouth	(Appointed 12 November 2020)
The Right Reverend Richard Pain, Lord Bishop of Monmouth	(Retired 23 January 2020)
The Very Reverend Lister Tonge, Dean of Monmouth	(Retired 30 August 2020)
The Venerable Suzanne Pinnington, Archdeacon of The Gwent Valleys	
Mr Roderick Mr Roderick Davies	
Mr William Alan Pearce Tippins	(Retired 27 November 2020)
Mr John Wardlaw Hanbury Tenison	
Mr Peter Jones	

Independent examiner	Mr Jonathan Rhodes BSc BFP FCA Walter Hunter & Co Limited Chartered Accountant 24 Bridge Street Newport South Wales NP20 4SF
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Structure, governance and management

Nature of the governing document and constitution of the charity

The charity is regulated by a scheme made by the Board of Charity Commissioners for England & Wales on 6th June 1902 and is registered with the Charity Commission, charity number 259042. The charity is subject to the law of England & Wales.

The Lectureship Endowment of Edward Lewis

Trustees' Annual Report *(continued)*

Year ended 31 December 2020

Structure, governance and management *(continued)*

The methods adopted for the recruitment and appointment of new trustees

The trustees are appointed in accordance with the scheme rules. The ex-officio trustee is the owner for the time being of the Kilvach Vargoed estate in the old parish of Gelligaer. Six further co-optative trustees are appointed for a term of five years by a resolution of the trustees at a special meeting.

The organisational structure of the charity and how decisions are made

The Annual General Meeting of the charity is held in March or April each year, with the exception of the 2020 AGM which was postponed to November 2020 due to the Covid-19 pandemic

Decisions with regard to the charity are taken by the trustees in general or special meetings. The administration of the charity and the implementation of decisions is carried out by the clerk.

Objectives and activities

A summary of the governing objects of the charity as set out in its governing document

The objects of the charity are to apply the income in making certain grants as provided in the scheme to the vicar for the time being of St. David Fleur-de-Lis and, subject thereto, in making grants for the benefit of the church and parsonage of St. David aforesaid or for the extension of church work within the old parishes of Bedwellty and Mynyddislwyn.

The parishes now eligible to receive grants under the scheme (comprising the ancient parishes of Bedwellty and Mynyddislwyn) include the whole or part of the following:-

Lower Islwyn (comprising the former parishes of Abercarn with Cwmcarn and Newbridge)
Upper Islwyn (comprising the former rectorial benefice of Mynyddislwyn and the parishes of Blackwood, Fleur-de-Lis, Bedwelty and New Tredegar)
Ebbw Vale
Llanhilleth
Rhymney
Tredegar St. George with Tredegar St. James

Summary of the main activities of the charity in relation to its objects

The trustees have adopted the policy of making individual grants to the vicars of eligible parishes and, particularly in future, to the parishes for maintenance of vicars, curates and non-stipendiary ministers; and in making grants for the repair and maintenance of churches within the eligible parishes. Details of the grants to individuals and to parishes approved for the years ending 31st December 2020 and 31st December 2019 are set out in note 9 to the accounts.

Subject to maintaining adequate reserves, the trustees budget to disburse in grants the whole of the annual income of the charity.

The Lectureship Endowment of Edward Lewis

Trustees' Annual Report *(continued)*

Year ended 31 December 2020

Objectives and activities *(continued)*

Public Benefit

In implementing the objects of the Charity the trustees have due regard to the public benefit guidance issued by the Charity Commission.

The grant making policy adopted by the trustees supports the practice of religion by the Anglican churches within the geographical area served by the Charity's objects both in maintenance of church buildings for the present and future use of the public and residents within the area and in providing support for individual parishes and clergy for the maintenance of ministry within that area.

Achievements and performance

Summary of the main achievements of the charity during the year

During the year the charity disbursed the following:-

£350 (2019: £350) for grants to vicars;

£550 (2019: £800) for vicars' parish support grants;

£207 (2019: £207) for grants for ground rent;

£600 (2019: £500) for grants to parishes for the maintenance of vicars, curates and non-stipendiary ministers;

£1,750 (2019: £16,096) for special grants which were made for the repair and maintenance of eligible churches during the year. Special grants approved but not taken up during the year are normally carried forward, subject to the trustees approval.

Full details of all grants paid are shown in note 9 to the accounts.

Financial review

Policy on reserves

The trustees have considered the reserves of the Charity and adopted a policy of retaining reserves to make grants for emergencies, for major projects and for grants approved but not paid, and consider that the reserves are sufficient to cover any contingencies.

The Lectureship Endowment of Edward Lewis

Trustees' Annual Report *(continued)*

Year ended 31 December 2020

Financial review *(continued)*

Principal funding sources and how expenditure in the year under review has supported the key objectives of the charity

The charity's income is investment and rental income derived from the charity's assets of equities, investment properties and bank deposits.

The charity has appointed Brewin Dolphin to act as its broker and financial advisers. The trustees have adopted an ethical policy in relation to its investments in stocks and shares in consultation with its financial advisers. This policy is kept under review.

The investment properties of the charity were valued on 27 July 2016 by the chartered surveyors Graham & Co. at a total open market valuation of £631,025. The charity transitioned to FRS 102 on 1 January 2016. The trustees consider the fair value of the properties on this date to be the same as that on 27 July 2016. As a result, this valuation has been taken to be the 'deemed cost' of the properties on the transition date as prescribed by section 35.10c of FRS 102.

Income received is distributed as grants. Any residual income is placed on deposit with the bank.

Availability and adequacy of assets of each of the funds

The trustees are satisfied that the charity's assets in each fund are available and adequate to fulfil its obligations in respect of each fund.

The trustees consider the current state of the charity's finances to be sound.

Transactions and financial position

The Statement of Financial Activities show revenue incoming resources for the year of £5,536 (2019: outgoing £1,852) and capital outgoing resources for the year of £10,216 (2019: incoming £77,209) resulting in total net outgoing resources for the year of £4,680 (2019: incoming £75,357).

The total reserves at the year end stand at £1,457,436 (2019: £1,462,116).

Specific changes in fixed assets

Disposals and acquisitions of stocks and shares have taken place during the year upon the advice of the investment managers, Brewin Dolphin.

Further details of the movement in fixed asset investments during the year is shown in note 13 to the accounts.

Plans for future periods

The charity will continue to manage its investments in stocks and shares and in land to best advantage with professional advice in order to balance the requirements to produce income to fund the objects of the charity and the long term growth of investments.

The Lectureship Endowment of Edward Lewis

Trustees' Annual Report *(continued)*

Year ended 31 December 2020

The trustees' annual report was approved on and signed on behalf of the board of trustees by:

Mr T M Russen
Clerk

The Lectureship Endowment of Edward Lewis

Independent Examiner's Report to the Trustees of The Lectureship Endowment of Edward Lewis

Year ended 31 December 2020

I report to the trustees on my examination of the financial statements of The Lectureship Endowment of Edward Lewis ('the charity') for the year ended 31 December 2020.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of 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 no concerns and 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.

Mr Jonathan Rhodes BSc BFP FCA
Walter Hunter & Co Limited
Chartered Accountant
Independent Examiner

24 Bridge Street
Newport
South Wales
NP20 4SF

The Lectureship Endowment of Edward Lewis

Statement of Financial Activities

Year ended 31 December 2020

		2020		2019
	Note	Unrestricted funds £	Total funds £	Total funds £
Income and endowments				
Investment income	4	20,339	20,339	24,365
Other income	5	6,260	6,260	1,593
Total income		<u>26,599</u>	<u>26,599</u>	<u>25,958</u>
Expenditure				
Expenditure on charitable activities	6,7	21,063	21,063	27,810
Total expenditure		<u>21,063</u>	<u>21,063</u>	<u>27,810</u>
Net (losses)/gains on investments	10	(10,216)	(10,216)	77,209
Net (expenditure)/income and net movement in funds		<u>(4,680)</u>	<u>(4,680)</u>	<u>75,357</u>
Reconciliation of funds				
Total funds brought forward		1,462,116	1,462,116	1,386,759
Total funds carried forward		<u>1,457,436</u>	<u>1,457,436</u>	<u>1,462,116</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 9 to 16 form part of these financial statements.

The Lectureship Endowment of Edward Lewis

Statement of Financial Position

31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Investments	13	1,389,952	1,405,011
Current assets			
Debtors	14	363	1,647
Cash at bank and in hand		68,598	56,286
		<u>68,961</u>	<u>57,933</u>
Creditors: amounts falling due within one year	15	<u>1,477</u>	<u>828</u>
Net current assets		<u>67,484</u>	<u>57,105</u>
Total assets less current liabilities		<u>1,457,436</u>	<u>1,462,116</u>
Net assets		<u>1,457,436</u>	<u>1,462,116</u>
Funds of the charity			
Unrestricted funds		<u>1,457,436</u>	<u>1,462,116</u>
Total charity funds	16	<u>1,457,436</u>	<u>1,462,116</u>

These financial statements were approved by the board of trustees and authorised for issue on, and are signed on behalf of the board by:

The Right Reverend Cherry Vann, Bishop of Monmouth
Trustee

Mr Roderick Davies
Trustee

The notes on pages 9 to 16 form part of these financial statements.

The Lectureship Endowment of Edward Lewis

Notes to the Financial Statements

Year ended 31 December 2020

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Equity Chambers, John Frost Square, Newport, South Wales, NP20 1PW.

2. Statement of compliance

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

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Since March 2020 the Covid-19 pandemic has seriously affected the UK generally. As a charity we have taken all necessary steps to combat the effects of the virus and to ensure that the charity is able to continue to operate.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured.

The Lectureship Endowment of Edward Lewis

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

3. Accounting policies *(continued)*

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates. Expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

Investment property

On transition to FRS102, section 35.10c was applied in relation to the investment property. The property was measured at its fair value at the transition date and this has been used as the 'deemed cost' on transition.

The Lectureship Endowment of Edward Lewis

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

3. Accounting policies *(continued)*

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Investment income

	Unrestricted Funds	Total Funds 2020	Unrestricted Funds	Total Funds 2019
	£	£	£	£
Dividends	20,307	20,307	24,246	24,246
Bank interest	32	32	119	119
	<u>20,339</u>	<u>20,339</u>	<u>24,365</u>	<u>24,365</u>

5. Other income

	Unrestricted Funds	Total Funds 2020	Unrestricted Funds	Total Funds 2019
	£	£	£	£
Rent receivable	6,260	6,260	1,593	1,593
	<u>6,260</u>	<u>6,260</u>	<u>1,593</u>	<u>1,593</u>

The Lectureship Endowment of Edward Lewis

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

6. Expenditure on charitable activities by fund type

	Unrestricted Funds	Total Funds 2020	Unrestricted Funds	Total Funds 2019
	£	£	£	£
Grant making	3,457	3,457	17,953	17,953
Support costs	<u>17,606</u>	<u>17,606</u>	<u>9,857</u>	<u>9,857</u>
	<u>21,063</u>	<u>21,063</u>	<u>27,810</u>	<u>27,810</u>

7. Expenditure on charitable activities by activity type

	Grant funding of activities	Support costs	Total funds 2020	Total fund 2019
	£	£	£	£
Grant making	<u>3,457</u>	<u>17,606</u>	<u>21,063</u>	<u>27,810</u>

8. Analysis of support costs

	Grant making activity	Total 2020	Total 2019
	£	£	£
Governance costs	<u>17,607</u>	<u>17,607</u>	<u>9,857</u>

The Lectureship Endowment of Edward Lewis

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

9. Analysis of grants

Special Grants

	2020	2019
	£	£
St. Sannan, Bedwelty & New Tredegar	1,750	—
St. Margaret, Blackwood	—	7,596
St. Tudor, Mynyddislwyn	—	4,000
St. David, Oakdale	—	1,750
St. Thomas, Cefn Forest	—	1,750
St. Augustine, Mynyddislwyn	—	1,000
	<u>1,750</u>	<u>16,096</u>

No provision has been made for the following Special Grants approved but not paid by 31st December 2020:~

	£
Approved 2020:	
St. David, Oakdale	1,550
St. Augustine, Pontllanfraith	9,000
St. Tudor, Mynyddislwyn	2,000
Approved 2018:	
St. George, Tredegar	2,000
	<u>14,550</u>

Grant for Ground Rent

	2020	2019
	£	£
Mynyddislwyn	7	7
Church of Wales	200	200
	<u>207</u>	<u>207</u>

Vicars' Parish Support Grants

	2020	2019
	£	£
Abercarn	—	125
Blackwood	250	250
Mynyddislwyn	—	150
Newbridge	—	125
Upper Islwyn	300	150
	<u>550</u>	<u>800</u>

Vicars' Grants

	2020	2019
	£	£
Mynyddislwyn	<u>350</u>	<u>350</u>

The Lectureship Endowment of Edward Lewis

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

9. Analysis of grants (Continued)

Non Stipendiary Grants

	2020	2019
	£	£
Abercarn	200	200
Bedwelty & New Tredegar	200	100
Newbridge	200	200
	<u>600</u>	<u>500</u>

10. Net (losses)/gains on investments

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Net appreciation/(depreciation) of equities held for investment	(10,216)	<u>(10,216)</u>	77,209	<u>77,209</u>

11. Independent examination fees

	2020 £	2019 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>852</u>	<u>828</u>

12. Trustee remuneration and expenses

Neither trustees or any persons connected with them have received any remuneration or been reimbursed expenses, either in the current year or in the prior year.

Indemnity insurance has been paid to protect the charity from loss arising from the neglect or defaults of its trustees or to indemnify its trustees against the consequences of any neglects or defaults on their part. The indemnity insurance is included as part of the overall charity insurance premium this year and therefore there is an unidentifiable cost.

The Lectureship Endowment of Edward Lewis

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

13. Investments

	Cash or cash equivalents £	Listed investments £	Investment properties £	Total £
Cost or valuation				
At 1 January 2020	12,107	761,879	631,025	1,405,011
Additions	—	272,358	—	272,358
Disposals	—	(279,746)	—	(279,746)
Other movements	2,545	(10,216)	—	(7,671)
At 31 December 2020	<u>14,652</u>	<u>744,275</u>	<u>631,025</u>	<u>1,389,952</u>
Impairment				
At 1 January 2020 and 31 December 2020				<u>—</u>
Carrying amount				
At 31 December 2020	<u>14,652</u>	<u>744,275</u>	<u>631,025</u>	<u>1,389,952</u>
At 31 December 2019	<u>12,107</u>	<u>761,879</u>	<u>631,025</u>	<u>1,405,011</u>

All investments shown above are held at valuation.

Investment properties

On transition to FRS102, section 35.10c was applied in relation to the investment property. The property was measured at its fair value at the transition date and this has been used as the 'deemed cost' on transition.

Financial assets held at fair value

The listed investments have been valued at fair value at the year end date by the portfolio managers, Brewin Dolphin.

14. Debtors

	2020 £	2019 £
Prepayments and accrued income	<u>363</u>	<u>1,647</u>

15. Creditors: amounts falling due within one year

	2020 £	2019 £
Accruals and deferred income	852	828
Rent received in advance	<u>625</u>	<u>—</u>
	<u>1,477</u>	<u>828</u>

The Lectureship Endowment of Edward Lewis

Notes to the Financial Statements (continued)

Year ended 31 December 2020

16. Analysis of charitable funds

Unrestricted funds

	At 1 Jan 2020 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Dec 2020 £
Unrestricted Income Fund	57,105	26,599	(21,063)	15,059	(10,216)	67,484
Unrestricted Capital Fund	1,405,011	—	—	(15,059)	—	1,389,952
	<u>1,462,116</u>	<u>26,599</u>	<u>(21,063)</u>	<u>—</u>	<u>(10,216)</u>	<u>1,457,436</u>

	At 1 Jan 2019 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Dec 2019 £
Unrestricted Income Fund	54,676	25,958	(27,810)	(72,928)	77,209	57,105
Unrestricted Capital Fund	1,332,083	—	—	72,928	—	1,405,011
	<u>1,386,759</u>	<u>25,958</u>	<u>(27,810)</u>	<u>—</u>	<u>77,209</u>	<u>1,462,116</u>

17. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2020 £
Investments	1,389,952	1,389,952
Current assets	68,961	68,961
Creditors less than 1 year	(1,477)	(1,477)
Net assets	<u>1,457,436</u>	<u>1,457,436</u>

	Unrestricted Funds £	Total Funds 2019 £
Investments	1,405,011	1,405,011
Current assets	57,933	57,933
Creditors less than 1 year	(828)	(828)
Net assets	<u>1,462,116</u>	<u>1,462,116</u>

The Lectureship Endowment of Edward Lewis

Management Information

Year ended 31 December 2020

The following pages do not form part of the financial statements.

The Lectureship Endowment of Edward Lewis

Detailed Statement of Financial Activities

Year ended 31 December 2020

	2020 £	2019 £
Income and endowments		
Investment income		
Dividends	20,307	24,246
Bank interest	32	119
	<u>20,339</u>	<u>24,365</u>
Other income		
Rent receivable	<u>6,260</u>	<u>1,593</u>
Total income	<u>26,599</u>	<u>25,958</u>
Expenditure		
Expenditure on charitable activities		
Grant making		
<i>Grant funding activities</i>		
Special Grants	1,750	16,096
Vicars' Grants	550	800
Vicars' Parish Support Grants	350	350
Non Stipendiary Grants	600	500
Grant for Ground Rent	207	207
	<u>3,457</u>	<u>17,953</u>
<i>Support costs</i>		
Insurance	2,120	2,127
Legal & professional fees	8,878	930
Stockbroker management fees	4,257	4,472
Clerk's remuneration	1,500	1,500
Independent Examiner's fees	851	828
	<u>17,606</u>	<u>9,857</u>
Expenditure on charitable activities	<u>21,063</u>	<u>27,810</u>
Net (losses)/gains on investments		
Net (depreciation)/appreciation of equities held for investment	<u>(10,216)</u>	<u>77,209</u>
Net (expenditure)/income	<u>(4,680)</u>	<u>75,357</u>