

The Lectureship Endowment of Edward Lewis
Unaudited Financial Statements
31 December 2022

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 2022

	Page
Trustees' annual report	1
Independent examiner's report to the trustees	5
Statement of financial activities	6
Statement of financial position	7
Notes to the financial statements	8

The following pages do not form part of the financial statements

Detailed statement of financial activities	16
Notes to the detailed statement of financial activities	17

The Lectureship Endowment of Edward Lewis

Trustees' Annual Report

Year ended 31 December 2022

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 December 2022.

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
The Very Reverend Ian Black, Dean of Newport
Mr Roderick Davies
Mr John Hall-Moore (Appointed 12 May 2022)
Mr John Wardlaw Hanbury-Tenison
Mr Peter Jones

Independent examiner	Mr Jonathan Rhodes BSc BFP FCA Walter Hunter & Co Limited 24 Bridge Street Newport South Wales NP20 4SF
-----------------------------	------------------------------------------------------------------------------------------------------------------------

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 methods adopted for the recruitment and appointment of new trustees

The trustees are appointed in accordance with the scheme rules. The ex-officio trustee, Mr Hanbury-Tenison, 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.

At the year end there were five co-optative trustees in post.

The Lectureship Endowment of Edward Lewis

Trustees' Annual Report *(continued)*

Year ended 31 December 2022

Structure, governance and management *(continued)*

The organisational structure of the charity and how decisions are made

The Annual General Meeting of the charity is usually held in April or May each year.

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:-

Islwyn Ministry Area
Mynydd Bedwellte Ministry Area
St Illtyd Ministry Area

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 2022 and 31st December 2021 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.

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.

The Lectureship Endowment of Edward Lewis

Trustees' Annual Report *(continued)*

Year ended 31 December 2022

Achievements and performance

Summary of the main achievements of the charity during the year

During the year the charity disbursed the following:-

£350 (2021: £350) for grants to vicars;

£500 (2021: £550) for vicars' parish support grants;

£207 (2021: £207) for grants for ground rent;

£800 (2021: £600) for grants to parishes for the maintenance of vicars, curates and non-stipendiary ministers;

£21,432 (2021: £4,983) 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.

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 21 September 2021 by the chartered surveyors Graham & Co. at a total open market valuation of £700,125. The trustees consider all investment property market values to remain unchanged as at 31 December 2022 with the exception of 7 Gwerthonor Lane. This piece of land was sold subsequent to the year end and the valuation as at 31 December 2022 has been increased to reflect the actual sale proceeds received. The valuation as at 31 December 2022 has been increased by £29,000.

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.

The Lectureship Endowment of Edward Lewis

Trustees' Annual Report *(continued)*

Year ended 31 December 2022

Financial review *(continued)*

Transactions and financial position

The Statement of Financial Activities show revenue outgoing resources for the year of £1,639 (2021: incoming £11,048) and capital outgoing resources for the year of £57,253 (2021: incoming £159,145) resulting in total net outgoing resources for the year of £58,892 (2021: incoming £170,193).

The total reserves at the year end stand at £1,568,737 (2021: £1,627,629).

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 trustees' annual report was approved on 4 May 2023 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 2022

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 2022.

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

4 May 2023

The Lectureship Endowment of Edward Lewis

Statement of Financial Activities

Year ended 31 December 2022

		2022	2021
		Unrestricted funds	Total funds
	Note	£	£
Income and endowments			
Investment income	4	26,821	24,077
Other income	5	4,601	3,943
Total income		<u>31,422</u>	<u>28,020</u>
Expenditure			
Expenditure on charitable activities	6,7	33,061	16,972
Total expenditure		<u>33,061</u>	<u>16,972</u>
Net (losses)/gains on investments	10	(57,253)	159,145
Net (expenditure)/income and net movement in funds		<u>(58,892)</u>	<u>170,193</u>
Reconciliation of funds			
Total funds brought forward		1,627,629	1,457,436
Total funds carried forward		<u>1,568,737</u>	<u>1,627,629</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 8 to 14 form part of these financial statements.

The Lectureship Endowment of Edward Lewis

Statement of Financial Position

31 December 2022

	Note	2022 £	2021 £
Fixed assets			
Investments	13	1,483,845	1,544,719
Current assets			
Debtors	14	54	222
Cash at bank and in hand		86,405	84,190
		<u>86,459</u>	<u>84,412</u>
Creditors: amounts falling due within one year	15	<u>1,567</u>	<u>1,502</u>
Net current assets		<u>84,892</u>	<u>82,910</u>
Total assets less current liabilities		<u>1,568,737</u>	<u>1,627,629</u>
Net assets		<u>1,568,737</u>	<u>1,627,629</u>
Funds of the charity			
Unrestricted funds		<u>1,568,737</u>	<u>1,627,629</u>
Total charity funds	16	<u>1,568,737</u>	<u>1,627,629</u>

These financial statements were approved by the board of trustees and authorised for issue on 4 May 2023, and are signed on behalf of the board by:

The Very Reverend Ian Black
Dean of Newport
Trustee

Mr Roderick Davies
Trustee

The notes on pages 8 to 14 form part of these financial statements.

The Lectureship Endowment of Edward Lewis

Notes to the Financial Statements

Year ended 31 December 2022

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.

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.

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.

The Lectureship Endowment of Edward Lewis

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

3. Accounting policies *(continued)*

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

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure. Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in profit or loss.

The investment properties of the charity were valued on 21 September 2021 by the chartered surveyors Graham & Co. at a total open market valuation of £700,125. The trustees consider all investment property market values to remain unchanged as at 31 December 2022 with the exception of 7 Gwerthonor Lane. This piece of land was sold subsequent to the year end and the valuation as at 31 December 2022 has been increased to reflect the actual sale proceeds received. The valuation as at 31 December 2022 has been increased by £29,000.

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.

4. Investment income

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Dividends	26,812	26,812	23,923	23,923
Bank interest	9	9	154	154
	<u>26,821</u>	<u>26,821</u>	<u>24,077</u>	<u>24,077</u>

The Lectureship Endowment of Edward Lewis

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

5. Other income

	Unrestricted Funds	Total Funds 2022	Unrestricted Funds	Total Funds 2021
	£	£	£	£
Rent receivable	4,301	4,301	3,943	3,943
Bank compensation payment	300	300	—	—
	<u>4,601</u>	<u>4,601</u>	<u>3,943</u>	<u>3,943</u>

6. Expenditure on charitable activities by fund type

	Unrestricted Funds	Total Funds 2022	Unrestricted Funds	Total Funds 2021
	£	£	£	£
Grant making	23,289	23,289	6,690	6,690
Support costs	9,772	9,772	10,282	10,282
	<u>33,061</u>	<u>33,061</u>	<u>16,972</u>	<u>16,972</u>

7. Expenditure on charitable activities by activity type

	Grant funding of activities	Support costs	Total funds 2022	Total fund 2021
	£	£	£	£
Grant making	<u>23,289</u>	<u>9,772</u>	<u>33,061</u>	<u>16,972</u>

8. Analysis of support costs

	Grant making activity	Total 2022	Total 2021
	£	£	£
Governance costs	<u>9,772</u>	<u>9,772</u>	<u>10,282</u>

The Lectureship Endowment of Edward Lewis

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

9. Analysis of grants

Special Grants

	2022	2021
	£	£
St. Theodore, Ynysddu	10,000	–
St. Margaret, Blackwood	7,000	–
St. Thomas, Cefn Forest	4,432	–
St. Tudor, Mynyddislwyn	–	2,000
St. David, Oakdale	–	1,550
Christ Church, Ebbw Vale	–	1,433
	<u>21,432</u>	<u>4,983</u>

No provision has been made for the following Special Grants approved but not paid by 31st December 2022:~

	£
Approved 2021:	
St. Dingat, Tredegar	4,800
Approved 2020:	
St. Augustine, Pontllanfraith	9,000
Approved 2018:	
St. George, Tredegar	2,000
	<u>15,800</u>

Grant for Ground Rent

	2022	2021
	£	£
Mynyddislwyn	7	7
Church of Wales	200	200
	<u>207</u>	<u>207</u>

Vicars' Parish Support Grants

	2022	2021
	£	£
Blackwood	–	250
Islwyn Ministry Area	250	–
Mynydd Bewellte Ministry Area	250	–
Upper Islwyn	–	300
	<u>500</u>	<u>550</u>

Vicars' Grants

	2022	2021
	£	£
Rev. M Owen	<u>350</u>	<u>350</u>

The Lectureship Endowment of Edward Lewis

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

9. Analysis of grants (Continued)

Non Stipendiary Grants

	2022 £	2021 £
Abercarn	–	200
Bedwelty & New Tredegar	–	200
Islwyn Ministry Area	600	–
Newbridge	–	200
Mynydd Bedwellte Ministry Area	200	–
	<u>800</u>	<u>600</u>

10. Net (losses)/gains on investments

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Gains/(losses) on investment property (Note 13)	29,000	29,000	69,100	69,100
Net appreciation/(depreciation) of equities held for investment	(86,253)	(86,253)	90,045	90,045
	<u>(57,253)</u>	<u>(57,253)</u>	<u>159,145</u>	<u>159,145</u>

11. Independent examination fees

	2022 £	2021 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>942</u>	<u>876</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 2022

13. Investments

	Cash or cash equivalents £	Listed investments £	Investment properties £	Total £
Cost or valuation				
At 1 January 2022	9,552	835,042	700,125	1,544,719
Additions	122,290	93,472	–	215,762
Disposals	(123,905)	(95,478)	–	(219,383)
Fair value movements	–	(86,253)	29,000	(57,253)
At 31 December 2022	7,937	746,783	729,125	1,483,845
Impairment				
At 1 January 2022 and 31 December 2022				–
Carrying amount				
At 31 December 2022	7,937	746,783	729,125	1,483,845
At 31 December 2021	9,552	835,042	700,125	1,544,719

All investments shown above are held at valuation.

Investment properties

Investment properties

The investment properties of the charity were valued on 21 September 2021 by the chartered surveyors Graham & Co. at a total open market valuation of £700,125. The trustees consider all investment property market values to remain unchanged as at 31 December 2022 with the exception of 7 Gwerthonor Lane. This piece of land was sold subsequent to the year end and the valuation as at 31 December 2022 has been increased to reflect the actual sale proceeds received. The valuation as at 31 December 2022 has been increased by £29,000.

Listed investments and 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.

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

	2022 £	2021 £
Prepayments and accrued income	54	222

The Lectureship Endowment of Edward Lewis

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

15. Creditors: amounts falling due within one year

	2022 £	2021 £
Accruals and deferred income	942	876
Rent received in advance	625	626
	<u>1,567</u>	<u>1,502</u>

16. Analysis of charitable funds

Unrestricted funds

	At 1 January 20 22 £	Income £	Expenditure £	Gains and losses £	At 31 December 2022 £
Unrestricted Income Fund	82,910	31,422	(29,440)	–	84,892
Unrestricted Capital Fund	1,544,719	–	(3,621)	(57,253)	1,483,845
	<u>1,627,629</u>	<u>31,422</u>	<u>(33,061)</u>	<u>(57,253)</u>	<u>1,568,737</u>

	At 1 January 20 21 £	Income £	Expenditure £	Gains and losses £	At 31 December 2021 £
Unrestricted Income Fund	67,484	28,020	(12,594)	–	82,910
Unrestricted Capital Fund	1,389,952	–	(4,378)	159,145	1,544,719
	<u>1,457,436</u>	<u>28,020</u>	<u>(16,972)</u>	<u>159,145</u>	<u>1,627,629</u>

17. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2022 £
Investments	1,483,845	1,483,845
Current assets	86,609	86,609
Creditors less than 1 year	(1,717)	(1,717)
Net assets	<u>1,568,737</u>	<u>1,568,737</u>

	Unrestricted Funds £	Total Funds 2021 £
Investments	1,544,719	1,544,719
Current assets	84,487	84,487
Creditors less than 1 year	(1,577)	(1,577)
Net assets	<u>1,627,629</u>	<u>1,627,629</u>

The Lectureship Endowment of Edward Lewis

Management Information

Year ended 31 December 2022

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 2022

	2022 £	2021 £
Income and endowments		
Investment income		
Dividends	26,812	23,923
Bank interest	9	154
	<u>26,821</u>	<u>24,077</u>
Other income		
Rent receivable	4,301	3,943
Bank compensation payment	300	—
	<u>4,601</u>	<u>3,943</u>
Total income	<u>31,422</u>	<u>28,020</u>
Expenditure on charitable activities		
Grant making		
Grant funding activities		
Special Grants	21,432	4,983
Vicars' Grants	350	350
Vicars' Parish Support Grants	500	550
Non Stipendiary Grants	800	600
Grant for Ground Rent	207	207
	<u>23,289</u>	<u>6,690</u>
Support costs		
Insurance	2,399	2,200
Legal & professional fees	393	1,076
Stockbroker management fees	4,538	4,630
Clerk's remuneration	1,500	1,500
Independent Examiner's fees	942	876
	<u>9,772</u>	<u>10,282</u>
Total expenditure on charitable activities	<u>33,061</u>	<u>16,972</u>
Net (losses)/gains on investments		
Gains/(losses) on investment property (Note 13)	29,000	69,100
Net appreciation/(depreciation) of equities held for investment	(86,253)	90,045
	<u>(57,253)</u>	<u>159,145</u>
Net (expenditure)/income	<u>(58,892)</u>	<u>170,193</u>