

**Sion
College**

Annual Report and Accounts

31 December 2021

Charity Registration Number
306142

Contents

Reports

Reference and administrative information	1
Annual Report of the Court of Governors	3
Independent examiner's report	13

Accounts

Statement of financial activities	14
Balance sheet	15
Principal accounting policies	16
Notes to the accounts	21

Appendices

A – Grant Making Policy	26
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Reference and administrative information Year to 31 December 2021

Governors	The Revd Jeremy Crossley (President) The Revd George Bush (appointed 29 April 2021) The Revd Mae Christie Paul Double Esq The Revd Matthew Duckett The Revd James Heard (appointed 29 April 2021) The Revd Dr Alison Joyce The Revd Eileen McGregor The Revd Sam McNally-Cross Sir Michael Pownall The Revd Christopher Trundle (appointed 29 April 2021)
Honorary Librarian	The Revd Gillean Craig
Finance Committee	The Revd Mae Christie (Chair) The Revd Eileen McGregor The Revd Matthew Duckett The Revd Peter Wolton David Scott Esq
Grants Committee	The Revd Dr Alison Joyce (Chair) The Revd Matthew Duckett The Revd Sam McNally-Cross Sir Michael Pownall
Honorary Treasurer	The Revd Mae Christie
Honorary Curator	The Revd George Bush
Registered office	Faith House 7 Tufton Street London SW1P 3QB
Charity registration number	306142
Independent examiner	Buzzacott LLP 130 Wood Street London EC2V 6DL

Reference and administrative information Year to 31 December 2021

Bankers

Unity Trust Bank Plc
4 Brindley Place
Birmingham
B1 2BJ

Investment managers

Investec Wealth & Investment Limited
2 Gresham Street
London
EC2V 7QP

CCLA Investment Management Limited
Senator House
85 Queen Victoria Street
London
EC2V 4ET

Annual Report of the Court of Governors Year to 31 December 2021

The Court of Governors, who are also the trustees of the charity, present their statutory report together with the accounts of Sion College for the year to 31 December 2021.

The accounts have been prepared in accordance with the accounting policies set out on pages 16 to 20 of the attached accounts and comply 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 United Kingdom and Republic of Ireland (FRS 102), effective from accounting periods commencing 1 January 2015 or later.

ACTIVITIES, SPECIFIC OBJECTIVES AND RELEVANT POLICIES

Charitable objectives and activities

The College's charitable objectives as expressed in its Constitution are as follows:

- a. The charitable purposes of the Church of England.
- b. Learning, in particular among Fellows and Members of the College.

In furtherance of these objects the College has the power under an Amending Order in Council dated 26 June 1996:

- a. to promote fellowship among Fellows and Members of the College;
- b. to provide instruction and to do such other things, including the holding and sponsoring of lectures and discussions, as shall promote learning; and
- c. to provide, equip and maintain premises.

The College makes grants to a range of charities and charitable activities in accordance with the College's grant making policies, as set out below.

In setting the College's objectives and planning its activities, the governors have given consideration to the Charity Commission's general guidance on public benefit.

Grant making policy

A priority for the College is the personal development and refreshment of the clergy by our grant-making programme which is open to clergy in active ministry within the M25 who are Fellows or Members of Sion College.

Currently the maximum grant available to individuals is £1,000 (2020 – £1,000) and is awarded to fund study leave, courses, research and other innovative projects.

Applicants must complete an application form and grants are not normally made to an individual more than once in a two year period, and are not made for courses already underway.

Applications are considered by the Grants Committee at its meetings which occur three times a year and members of the Grants Committee may ask to meet with applicants to discuss their proposals.

ACTIVITIES, SPECIFIC OBJECTIVES AND RELEVANT POLICIES (continued)

Grant making policy (continued)

In addition, we offer a subscription to a number of central London libraries, including the library at King's College.

Further details of the College's grant making is included in Appendix A to the accounts.

Investment policy

The objectives of the policy are to ensure the creation of sufficient income and capital growth to enable the charity to carry out its purposes consistently year by year with due and proper consideration for future needs and the maintenance of and, if possible, enhancement of the value of invested funds while they are retained. Both capital and income may be used at any time for the furtherance of the charity's aims. We generally follow the ethical policy of the Church of England.

ACHIEVEMENTS AND PERFORMANCE

Review of activities

President's report

I am writing this report on the life of Sion College in 2021, which opened with members of the Court continuing to serve in the posts to which they had been elected in 2019. They did so with great enthusiasm and commitment and I know that the whole College would want me to record a deep debt of gratitude to every one of them. This is particularly true of the President for the first part of the year, Eileen McGregor, who navigated unfamiliar waters and ensured we stayed on course for the last six months of her two-year Presidency.

As a Court we built on all we had learned about technology during the previous year and a small group of Court members, led by Graham Buckle, masterminded this aspect of our life with efficiency and panache and like everyone else I remain grateful to them all.

Of course, at the heart of our common life is our Administrator, Jeremy Smith whose calmness, efficiency, resourcefulness and incredible hard work ensure we remained on course for the year. Until I became President, I didn't realise the extent of his quiet hard work and I have been astonished by his capacity and graciousness and on behalf of the whole College want to thank him very much indeed.

All members of the Court serve on various Committees and have been assiduous in the discharge of their time-consuming duties; one hundred years ago membership of the Court was a sinecure but that has changed totally. This is particularly the case with the post of Treasurer and Mae Christie has been an outstanding one. She has given birth and been elected to General Synod while holding this post and has never once failed in her stewardship of College finances.

One of the great strengths of the College in the last quarter century particularly has been the outstanding quality of Lay Fellows who have served on the Court of Governors. When the Term of Office of a Lay Governor is drawing slowly to a close those at the heart of the College always feel a certain anxiety.

ACHIEVEMENTS AND PERFORMANCE (continued)

Review of activities (continued)

President's report (continued)

At the AGM this year Sir Michael Pownall, who has served two consecutive terms on the Court is retiring and we will miss him enormously. His quiet efficiency, drafting skills, wisdom, address book and courtesy have been invaluable; we are greatly in his debt but are also thrilled that he will continue to be involved with the College even if we will regret his departure from the counsels of the Court.

Wonderfully, a small group under the leadership of Lady Brewer, herself a former Lay Governor, recommended a worthy successor to Sir Michael from a distinguished shortlist. David Banks will bring immense experience of the Church, the City and public life to the College and the Court was delighted to accept the nomination.

The year began with a varied programme all online; Fiona Alderton introduced us to the life and work of Artemesia Gentileschi, Pen Vogler spoke about Gin and other crazes about which she had written in her recently published book, Anders Bergquist, Christina Maria Bammel, John Barton, and Malcolm Guite stretched us and thrilled us theologically, and in a lecture from the USA Paula Byrne spoke brilliantly on Barbara Pym. In two other zoom evenings, Giles Fraser and Mike Brearley reflected in depth, if very accessibly, on some of the issues that had emerged from their recently published books.

We were also delighted to arrange a lunchtime event following up on the College's visit to Armenia. Harut Harutyunyan spoke to the group and many who were there wrote afterwards very appreciatively about the event.

The College went on two "trips"-one to the Britannia Royal Naval College in Greenwich to see the historic rooms followed by an informal and delicious supper nearby and various parties went to see the Beckett exhibition at the British museum, engaging in good fellowship either before or after the visit.

Two staples of the year were the Founders' Day Lecture which migrated from its usual setting of Lambeth Palace because of building works there to, appropriately, St Mary-le-Bow which is, of course, the Metropolitan Church of the City, housing as it does the Court of Arches. Our speaker was Sir David Manning, one of the most distinguished diplomats of his generation and a former British Ambassador to Washington. On the day he was forced to self-isolate but with his usual effectiveness and aplomb George Bush, the Rector and a Past President made the evening possible by his impressive technology and arranged a rigorously policed socially distanced reception in the Square outside the Church.

The Fellows' Dinner in October at Lambeth Palace was preceded by a private visit to the new Lambeth Palace Library where the Librarian, an Honorary Fellow, and his team had prepared a very special display. Sir Simon Jenkins was the guest speaker who spoke informatively and amusingly on the ministry of Cathedrals and much else.

ACHIEVEMENTS AND PERFORMANCE (continued)

Review of activities (continued)

President's report (continued)

In the autumn, we revisited various aspects of theology and ecclesiology in response to our Pious Founder's stated priority of the importance of Godly Learning. Michael Marshall spoke about the life of Edward King and reflected on all he had to say to the Church of England today; Christopher Landau spoke about disagreeing well - a seminar supper that was timely in the Church today and was both profound yet accessible. We used the Royal Overseas League for the first time in living memory to hear Rob Gilbert from Oxford University speak on the topic of Science Beauty and Truth in a fascinating way.

This theology was complemented by talks from two distinguished journalists, Michael Binyon and Caroline Wyatt, who because of their relationship with St Bride's Fleet Street were keen to come and were both absolutely fascinating and refreshingly honest.

As is our custom we reviewed our policies and agreed a new safeguarding policy which we asked the Visitor to review and then implemented. It has been specially crafted to fit our charitable status and the character of the College and the Senior Dean was appointed Safeguarding Lead by the Court and has been impressively conscientious in his conduct in that role.

In conclusion, although being able to meet again in person has been one of the great delights of the year the Court has also been mindful of all the advantages of Zoom and our hybrid life is clearly going to be part of the way of life of the College for at least the foreseeable future.

It was a great privilege to serve as President and I am grateful for the trust which the College showed in electing me to the post.

Grants committee report (the Revd Alison Joyce)

The impact of Covid, which severely disrupted the plans of some clergy hoping to undertake courses and sabbaticals, continued to be felt throughout the past year. Fortunately, some measure of normality is now resuming.

For courses and sabbaticals during the year January – December 2021, the Grants Committee awarded a total of £4,263 out of a budget of £23,600. This included the regular annual donation of £1,000 to ALMA. A further instalment of £15,000 was paid to the Lambeth Palace Library (agreed in the light of the strong position of the College's finances). No expense is recognised in the present accounts, as the £30,000 was accrued in 2020, when the grant was originally committed.

A total of £1,400 was paid out in sabbatical and study leave grants. In addition, nine grants, totalling £1,863 in all, were awarded to individuals undertaking retreats at either Sheldon or Gladstone's Library. There were no applications for grants supporting library membership during this period (undoubtedly reflecting the closures and restrictions imposed as a result of the pandemic).

ACHIEVEMENTS AND PERFORMANCE (continued)

Review of activities (continued)

Library report (Hon Librarian, Preb Gilleen Craig)

In the year 1653 [ie, during the Commonwealth], Sir Robert Shirley, Baronet, founded this church; whose singular praise it is, to have done the best things in ye worst times.

(inscription in Staunton Harold Church, Leicestershire)

We might well consider that we have witnessed a similarly counter-cultural achievement of monumental proportions in the construction and completion of the new Lambeth Palace Library during the devastation of two successive years of Covid-19 lockdown. For decades the unique collections of the Library have been squeezed into far too little space in nooks and crannies of the Palace, never designed for anything approaching modern standards for the storage, conservation, cataloguing and scholarly research of precious and in many cases irreplaceable books, manuscripts, drawings etc. While the Librarian and staff could not have been more gracious and grateful in their receipt of the huge number of pre-1850 books and materials that Sion College gave them a couple of decades ago, the reality is that our bequest enormously exacerbated the problems. We must thank the vision, generosity and perseverance of all those – especially the Librarians and Church Commissioners and Friends of the Library – for holding on to and splendidly realising their ambitious resolve not just in the face of encroaching pandemic, but also a National Church more and more concerned about its financial situation, and in many significant quarters less and less convinced by the importance of research, scholarship, and the proper stewarding of our heritage.

The new library building was completed in 2021 – on a scale and to an architectural standard that makes it a highly significant addition not just to the world of academic specialists but to the buildings of the capital and the nation. We can be justly proud that this great monument to the value of exploring and better understanding the records of the past as a crucial element in discerning the signs of the current times and helping us to plan the future sets in stone the name of our College. The Sion Collection is clearly marked and celebrated within the totality of Lambeth Palace Library's holdings. The greatly enhanced facilities for conservation, cataloguing and research means that our books and manuscripts will in future years yield up much currently unknown; unsuspected connections; revealing influences and cross fertilisations throughout the story of our church and its place in society.

At the end of September some 30 fellows of our college were privileged to be welcomed by the Lambeth Librarian, our Hon Fellow Giles Mandelbrote, to a special preview of the new building and its facilities. We were delighted and amazed to see the scale, imagination and detail of the building: perhaps our predominant impression was determining to return again and again to appreciate more of the potential of this splendid addition to the Church of England's rich heritage – perhaps even to encourage others to follow our example and study its books!

ACHIEVEMENTS AND PERFORMANCE (continued)

Review of activities (continued)

Library report (Hon Librarian, Preb Gilleen Craig) (continued)

This has been the second year of our grant to the Library of £15,000 towards the huge costs of conserving and cataloguing our bequest – many items of which reached Lambeth in a truly shocking condition. In our visit we were able to see the kind of work being done on them, so that they can be properly consulted and appreciated for centuries to come. This year we make the third and final of these grants.

Our post-1850 books are kept in King's College London Library; the College's Administrative archives are kept in the London Metropolitan Archives. These institutions similarly maintain programmes of conserving and cataloguing, and make our materials available for student study and scholarly research. In this second year of Covid lockdown and imposed isolation, these precious activities have of course been greatly interrupted and curtailed. We long and pray for better times to envelope us all.

FINANCIAL REVIEW

Results for the year

A summary of the year's results can be found on page 14 of this report and accounts.

The accounts for 2021 show a net increase in funds of £430,396 (2020 net decrease of £123,540). This increase included a net gain on investments of £424,942 (2020 net loss in value of £104,811).

The total net assets in the balance sheet of £4,683,485 (2020 £4,253,089) are stated at market value and all funds are unrestricted.

Treasurer's Report (Revd Mae Christie)

Sion College's operations generally fall broadly into three categories: events, grant making and administration. The large and growing size of the membership across several dioceses makes some of this unpredictable even against robust budgeting.

There is an operating surplus shown in the 2021 accounts of £5,454 (2020 deficit of £18,729).

Our investment manager at Investec reports: During the calendar year 2021, the Sion College portfolio produced a total return of +13.03% (net of fees). The benchmark rose by +14.82%. In a similar picture to the previous year, the portfolio outperformed in the UK and continental Europe, while the United States underperformed due to yield considerations. The lower yielding technology sector drove higher returns once again. To some extent this has now been reversed. In 2021, the portfolio created income of £112,141 which was an increase on 2020. Looking forward we have seen a 'paradigm shift' in two key areas for markets - inflation and interest rates. This is a fundamental change from the last 10 years and will require a different investment approach to reflect these issues.

FINANCIAL REVIEW (continued)

Treasurer's Report (continued)

Combined with our CBF Church of England Investment Fund holding, managed by CCLA, our overall investment income in 2021 was £118,520, which is a marginal increase from 2020. Both of our investment holdings performed very slightly over our revised 2020 budget predictions as well. We have budgeted for a modest increase in our investment income in 2022: £121,000, cautiously aware of the current volatility of the market, Covid 19 recovery, rising inflation and the impact of various political situations, including the Russian invasion of Ukraine.

At our 2021 AGM, one of our members helpfully queried the current spread of investments given the notably strong performance of the CBF Fund. The Finance Committee have undertaken the process of re-evaluating our investment policy and considering where our investment holdings are managed. We will provide the court with details and recommendations regarding this in due course.

Our 2022 budget predicts a deficit of just over £78,000. We have planned deficits in the past and have, instead, tended to achieve a surplus, but it is likely that we will indeed run a deficit this year, which the court has planned for and agreed. This is generally due to a large event programme, making up for the lack of in-person events throughout the pandemic, as well as our upcoming trip to Scotland in the autumn. We believe our current financial holdings and long term financial prospects allow for such a deficit to be undertaken in these extraordinary times, and feel that our obligation to provide for the fellowship of the clergy is particularly needed. We will continue to monitor this over the year.

On a personal note, I would like to pay tribute to the wonderful work of our Finance Committee and administrator this year, both due to the unprecedented times and in gratitude for their excellent stewardship of the college's finances in my absence while I was on maternity leave for a large portion of the year. Our financial blessings have been very well cared for and I am grateful to all of them.

Reserves Policy

It is the policy of the College to maintain unrestricted funds that are at least enough to generate sufficient income for planned activities in the coming year and to produce annually a budget based upon the forecast income. Currently, the College's projects are both in line with its Charter as well as being short term. The required funds are always spent in the budget year with some funds carried forward into future years to fund specific projects. A contingency reserve is also included in the annual budget to meet any unforeseen expenditure.

At 31 December 2021, the net current assets of the College, that is those unrestricted funds not designated for specific purposes or held as fixed asset investments, amounted to £31,186 (2020 £40,617).

FINANCIAL REVIEW (continued)

Reserves Policy (continued)

Investments are excluded from the free reserves balance due to their intended use being for the long term viability of the College and are therefore not deemed to be immediately realisable although in addition to the main investment portfolio the College has units in a CCLA Fund to the value of £248,664 at 31 December 2021. This investment is intended to be available for use at short notice if required.

GOVERNANCE, STRUCTURE AND MANAGEMENT

Sion College is registered on the Central Register of Charities maintained by the Charity Commission for England and Wales, under registration number 306142.

The College received a Royal Charter from King Charles I in July 1630, modified by Charters, Acts and Orders in Council over the subsequent centuries.

Organisation and Governance

The names of the governors who served during the period are set out as part of the reference and administrative information on page 1.

The government of the College is vested in the Court of Governors.

The Court of Governors controls and manages the affairs of the College and may exercise on behalf of the College all powers vested in the College and administer its property and income.

The Court of Governors meets on a regular basis; during 2021 nine (2020 – eight) Court meetings were held.

Recruitment and appointment

The Court of Governors is elected annually at each Annual General Meeting from amongst the Fellows of the College.

Induction and training

The College recognises that new and current governors should be aware of the College's charitable purposes, mode of operation, plans, policies and costs.

The governors are provided with appropriate updates relating to matters impacting upon charity law and the running and administration of the College from their professional advisers. They also attend external training events where appropriate.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Governors' responsibilities statement

The governors are responsible for preparing the Court of Governors' report and accounts 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 governors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the College and of the income and expenditure of the College for that period. In preparing these accounts, the governors are required to:

- ♦ select suitable accounting policies and then apply them consistently;
- ♦ observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- ♦ make judgements and estimates that are reasonable and prudent;
- ♦ state whether applicable United Kingdom accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- ♦ prepare the accounts on the going concern basis unless it is inappropriate to presume that the College will continue in operation.

The Governors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the College and enable them to ensure that the accounts comply with the Charities Act 2011, applicable Charity (Accounts and Reports) Regulations and the provisions of the governing documents. They are also responsible for safeguarding the assets of the College and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Governors are responsible for the maintenance and integrity of the charity and financial information included on the College's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Key management personnel

The members of the Court of Governors consider that they comprise the key management of the College in charge of directing and controlling, running and operating the charity on a day to day basis.

The members of the Court of Governors receive no remuneration in connection with their duties.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Risk management

The trustees have examined the major risks which the College faces, in particular those related to the operations and finances of the College, and confirm that systems are in place to mitigate the College's exposure to the major risks.

In accordance with Charity Commission guidance, risks are reviewed under the following headings:

- ◆ Governance, including membership of the Court and the skills set of Fellows & Members; and succession planning.
- ◆ External risks, including the influence and reputation of the College; and the importance of a well-received programme of events.
- ◆ Regulatory and Compliance: compliance with governing documents and legislation, including Safeguarding and Data Protection.
- ◆ Financial risks: appropriate financial management and investment policy; keeping within budget. The Treasurer's report includes a note on the impact of the 2020 Covid-19 crisis on the performance of the College's investments.
- ◆ Operational risks: College management and administration, in particular reliance on a single member of staff (our Administrator).

Regular (mostly monthly) meetings of the Court enable the trustees to review these risks regularly. For example, the programme of events as well as individual events are reviewed at each meeting; and there is a regular review of expenditure - again at each meeting - against a detailed budget.

The College investment portfolio is professionally managed by Investec Ltd and CCLA Investment Management Limited; and a cautious approach to investment has been endorsed by the Court and its Finance Committee.

The Court has continued to develop a series of policies, including in areas such as data protection and safeguarding. This process will be completed in 2021 and the policies will be set out on the College website.

The Court has agreed to review the risks set out above at its regular annual Residential meeting in June.

Signed on behalf of the Court of Governors:

The Revd Jeremy Crossley

Governor

Approved by the Court of Governors on: 12 May 2022

Independent examiner's report Year ended at 31 December 2021

Independent examiner's report to the Court of Governors of Sion College

We report on the accounts of Sion College for the year ended 31 December 2021, which are set out on pages 14 to 15.

Responsibilities and basis of report

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

We report in respect of our examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out our examination we have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

We have completed our examination. We confirm that no material matters have come to our attention in connection with the examination giving us cause to believe that in any material respect:

- ◆ accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
- ◆ the accounts do not accord with those records; or
- ◆ the accounts 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.

We 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.

Shachi Blakemore
Buzzacott LLP
130 Wood Street
London
EC2V 6DL

Dated: 31 May 2022

Statement of financial activities Year ended at 31 December 2021

	Notes	Unrestricted funds	
		Total funds 2021 £	Total funds 2020 £
Income from:			
Donations		—	10
Charitable activities			
. Functions, educational visits and database receipts		12,806	5,725
Trading activities			
. Subscriptions		10,848	10,619
Investments	1	118,520	116,849
Total income		142,174	133,203
Expenditure on:			
Raising funds	2	40,781	38,508
Charitable activities			
. Promotion of learning and fellowship amongst the clergy of the Church of England	3	95,939	113,424
Total expenditure		136,720	151,932
Net income (expenditure) before gains and losses on investments		5,454	(18,729)
Net gains (losses) on investments	10	424,942	(104,811)
Net income (expenditure) and net movement in funds for the year		430,396	(123,540)
Reconciliation of funds:			
Total funds brought forward		4,253,089	4,376,629
Total funds carried forward		4,683,485	4,253,089

All of the College's activities derived from continuing operations during the above two financial periods.

All gains and losses recognised in the year are included in the above statement of financial activities.

Balance sheet as at 31 December 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets:					
Investments	10		4,652,299		4,227,472
Current assets:					
Debtors	11	8,641		5,562	
Short term deposits		23		23	
Cash at bank and in hand		43,656		56,152	
		<u>52,320</u>		<u>61,737</u>	
Creditors: amounts falling due within one year	12	<u>(21,134)</u>		<u>(21,120)</u>	
Net current assets			<u>31,186</u>		<u>40,617</u>
Total assets less current liabilities			<u>4,683,485</u>		<u>4,268,089</u>
Creditors: amounts falling due after more than one year	13		—		(15,000)
Total net assets			<u>4,683,485</u>		<u>4,253,089</u>
The funds of the charity:					
Unrestricted income funds			<u>4,683,485</u>		<u>4,253,089</u>
			<u>4,683,485</u>		<u>4,253,089</u>

Approved by the Court of Governors
and signed on their behalf by:

The Revd Jeremy Crossley

Governor

Approved on: 12 May 2022

Principal accounting policies 31 December 2021

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

Basis of preparation

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the governors to make significant judgements and estimates.

The items in the accounts where these judgements and estimates have been made include the allocation of support costs.

Assessment of going concern

The governors have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The governors have made this assessment having taken account of the consequences of the coronavirus pandemic, and in respect to a period of at least one year from the date of approval of these financial statements.

The governors of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern.

With regard to the next accounting period, the year ending 31 December 2022, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the trustees' report for more information and note 10 to these accounts). This is reflected in the College's reserves policy and the governors are therefore of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

Income recognition

All income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises donations, income from charitable activities, income from other trading activities, investment income and other miscellaneous income.

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Income from functions and educational visits is recognised when the charity has entitlement to the income; this is usually when the function or visit has taken place.

Income from subscriptions is recognised in the period in to which the subscription relates.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

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

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- ◆ Raising funds includes all expenditure associated with raising funds for the charity. This includes investment management fees and an allocation of support costs.
- ◆ Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include charitable grants and donations, the costs of functions, educational visits and other events, and an allocation of support costs.

Expenditure recognition (continued)

Charitable grants and donations are made where the trustees consider there is real need following a review of the details of each particular case and comprise single year payments rather than multi-year grants. Grants and donations are included in the statement of financial activities when approved for payment. Provision is made for grants and donations approved but unpaid at the period end.

Expenditure is stated inclusive of any attributable VAT which cannot be recovered.

Allocation of support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity, it is necessary to provide support in the form of personnel development, financial procedures, and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the charity (including independent examination costs) and costs in respect to its compliance with regulation and best practice.

Where possible, support and governance costs are charged to a specific activity and the balance is allocated on the basis of estimates attributable to that activity in the year.

Fixed asset investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

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

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value is acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

Heritage assets

Heritage assets have historic, artistic, scientific, technological, geophysical or environmental qualities and are held and maintained principally for its contribution to knowledge and culture.

The College holds a number of historic assets, including a unique collection of paintings, together with books, manuscripts and other artefacts. These assets are held on trust in perpetuity as a permanent record of the College's history. They are irreplaceable originals, whose intrinsic value is also bound up in the College's history. There is no market for these items and so no reliable cost or value can be attributed to them, and accordingly they have not been included on the balance sheet.

Principal accounting policies 31 December 2021

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid.

Cash at bank and in hand and short term deposits

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt.

Financial instruments

The College only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the College and their measurement basis are as follows:

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank and short term deposits – classified as a basic financial instrument and is measured at face value.

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Fund structure

The unrestricted income funds represent funds available for the general charitable purposes of the charity at the discretion of the Court of Governors.

Restricted funds comprise monies raised for, or their use restricted to a specific purpose or contributions subject to donor imposed conditions.

Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight-line basis over the term of the lease.

Principal accounting policies 31 December 2021

Statement of cash flows

The financial statements do not include a statement of cash flows because the charity is exempt from the requirement to prepare such a statement under the Charities SORP (FRS 102) Update Bulletin 1.

1 Investment income

	Unrestricted	
	2021 £	2020 £
Dividends and interest from investments	112,141	110,648
Interest on short term deposits	6,379	6,201
	118,520	116,849

2 Expenditure on raising funds

	Direct costs £	Support costs (note 6) £	Total Un-restricted 2021 £	Direct costs £	Support costs (note 6) £	Total Un-restricted 2020 £
Donations	—	1,948	1,948	—	2,011	2,011
Members' subscriptions	—	7,790	7,790	—	8,043	8,043
Investment management costs	30,018	1,025	31,043	27,388	1,066	28,454
	30,018	10,763	40,781	27,388	11,120	38,508

3 Expenditure on charitable activities

	Direct costs £	Support costs (note 6) £	Total Un-restricted 2021 £	Direct costs £	Support costs (note 6) £	Total Un-restricted 2020 £
Promotion of learning and fellowship amongst the clergy of the Church of England						
. Grants payable (note 4)	4,263	7,047	11,310	53,814	7,274	61,088
. Functions and educational visits and debates	63,490	21,139	84,629	28,367	21,820	50,187
. Annual feast	—	—	—	2,149	—	2,149
Total funds	67,753	28,186	95,939	84,330	29,094	113,424

4 Grants payable

	2021 £	2020 £
Research and sundry grants		
Lambeth Palace Library (see note below)	—	45,000
ALMA	1,000	1,000
Retreat study grants – 9 awarded (2020 – 6)	1,863	1,254
Library membership grants – none awarded (2020 – 1)	—	60
Research and educational grants – 1 awarded (2020 – 2)	400	1,000
	3,263	48,314
Grants for study leave		
Study leave – 1 awarded (2020 – 6)	1,000	5,500
Total grants payable	4,263	53,814
Support costs	7,047	7,274
	11,310	61,088
Grants payable to:		
. Institutions	1,000	46,000
. Individuals	3,263	7,814
	4,263	53,814

During 2020 the charity awarded a grant to Lambeth Palace Library of £15,000 per year for a total of three years, with the first payment made in 2020 and the second payment made during 2021.

5 Staff costs and remuneration of key management personnel

	2021 £	2020 £
Salaries and wages	22,000	22,000
Pension costs	1,320	1,317
	23,320	23,317

The charity employed one member of staff during the year (2020 – one).

No employee earned more than £60,000 per annum in 2021 (2020 - none).

The members of the Court of Governors consider that they comprise the key management of the College in charge of directing and controlling, running and operating the charity on a day to day basis.

The members of the Court of Governors receive no remuneration in connection with their duties.

6 Support costs

The breakdown of support costs and how these are allocated are shown below:

	Raising funds		Charitable activities (note 3)	2021 total
	Donations and sub-scriptions (note 2)	Investment management costs (note 2)	(note 3)	
	£	£	£	£
Premises	1,799	72	5,321	7,192
Administrative				
. Administrator (note 5)	5,830	700	16,790	23,320
. General administrative expenses	96	12	278	386
Governance costs (note 7)	751	90	2,165	3,006
General				
. Other expenses	1,262	151	3,632	5,045
Total 2021 funds	9,738	1,025	28,186	38,949

	Raising funds		Charitable activities (note 3)	2020 total
	Donations and sub-scriptions	Investment management costs (note 2)	(note 3)	
	£	£	£	£
Premises	1,750	70	5,178	6,998
Administrative				
. Administrator (note 5)	5,829	700	16,788	23,317
. General administrative expenses	154	18	444	616
Governance costs (note 7)	769	92	2,216	3,077
General				
. Other expenses	1,552	186	4,468	6,206
Total 2020 funds	10,054	1,066	29,094	40,214

Cost allocation includes an element of judgement and the College has had to consider the cost benefit of detailed calculation and record keeping. Where possible, support costs are charged to a specific activity and the balance has been allocated on the basis of estimates attributable to that activity in the year.

7 Governance costs

	2021 £	2020 £
Court expenses	6	47
Independent examiner's remuneration		
. Independent examination fee	2,000	1,950
. Other services	1,000	1,080
	3,006	3,077

8 Trustees' remuneration and related party transactions

Members of the Court of Governors received no remuneration (2020 – nil). No members of the Court were reimbursed for directly incurred expenses (2020 – £6,793 to 8 members).

9 Taxation

Sion College is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

10 Investments

	2021 £	2020 £
Market value of listed investments at 1 January	4,210,790	4,293,116
Acquisitions at cost	590,866	753,268
Disposals at market value (proceeds £650,414; realised gains £44,570)	(605,844)	(821,982)
Net gains (losses) on revaluation at 31 December	380,372	(13,612)
Market value of listed investments as at 31 December	4,576,184	4,210,790
Cash held for investment	76,115	16,682
Total market value of investments at 31 December	4,652,299	4,227,472
Historical cost of listed investments as at 31 December	3,467,935	3,349,587

Listed investments held at 31 December comprised the following:

	2021 £	2020 £
UK equities	1,031,576	1,072,444
Fixed interest securities	689,276	693,762
Property unit trusts	386,833	346,775
Overseas equities	1,926,804	1,614,139
Alternative assets	541,695	483,670
	4,576,184	4,210,790

All listed investments held are dealt in on a recognised stock exchange.

The following investments individually amounted to over 5% of the portfolio at 31 December 2021 (2020: none).

		2021 £
The CBF Church of England investment Fund – Income shares	5.34%	248,664
JP Morgan Funds Ltd US Equity Inc	5.54%	257,570

Notes to the accounts 31 December 2021

10 Investments (continued)

The total unrealised gains as at 31 December constitute movements on revaluation and are as follows:

	2021 £	2020 £
Reconciliation of movements in unrealised gains		
Unrealised gains at 1 January	861,202	1,085,473
Less: in respect to disposals in the year	(133,325)	(210,659)
Add: net gains (losses) arising on revaluation in the year	380,372	(13,612)
Total unrealised gains at 31 December	1,108,249	861,202

11 Debtors

	2021 £	2020 £
Accrued income	2,780	1,704
Prepayments	4,551	3,858
VAT	1,310	—
	8,641	5,562

12 Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals and deferred income	5,694	5,489
Other creditors	440	440
Grants committed (note 4)	15,000	15,000
VAT	—	191
	21,134	21,120

13 Creditors: amounts falling due after more than one year

	2021 £	2020 £
Grants committed (note 4)	—	15,000
	—	15,000

14 Operating lease commitments

As at 31 December the College had the following future minimum commitments in respect of non-cancellable operating leases on land and buildings:

	2021 £	2020 £
Payable within:		
One year	5,950	5,900
One and five years	26,459	25,992
Over five years	—	6,417
	32,409	38,309

Appendix A – Grant making policy

Course and Sabbatical Grants

The College supports the personal and ministerial development of London clergy, making grants to licensed or beneficed clergy who are Fellows or Members of the College and who reside within the boundaries of the M25.

Applicants for Sion College grants must be Fellows or Members of the College, and have been a Fellow or Member for at least two years before the date of application. With limited funding, we look particularly to support with our grant-giving those who are active members of the College.

The Grants Committee meets three times a year to discuss applications and make decisions based on the funds available. Members applying for study leave grants are invited to meet the Grants Committee to discuss their proposal. Please note that these meetings usually take place in Faith House, on the first floor with no lift. If you have any difficulty with this please let us know.

The considerations which the Grants Committee will take into account when considering applications for grants and the policies which the Committee will follow have been agreed by the Committee and are set out below.

The Administrator would be pleased to give any further information you need. If you believe you may be eligible, please complete and return the grant application form, along with any links or information about the proposed course of study.

Two grant application forms are now used:

One is for grants for study leave and the other for courses. Please select and submit the correct form.

Applications are considered by the Grants Committee at its meetings in February, May and October. We are not able to consider applications which do not meet the deadlines indicated in the table below:

- ◆ Successful applicants may reapply for a further grant after two years have elapsed, however priority will be given to those who have not received any previous grant.
- ◆ Grants are not made for courses or work already in progress.
- ◆ Study leave grants are considered from those whose study leave has been approved by their diocese.
- ◆ Grants are no longer available for formal post-graduate academic study.
- ◆ The decision of the Grants Committee is final and no correspondence will be entered into.

Appendix A – Grant making policy

Last date for application	Course/ study beginning	Committee meets
31 st December	May to August	February
31 st March	September to December	May
31 st August	January to April	October

Gladstone's Library and the Society of Mary and Martha

Members eligible for grants may apply on a bi-annual basis for an up to four-night residential stay at Gladstone's Library or the Society of Mary and Martha at Sheldon. Please submit a grant form to the College Administrator. Once you have received notification from the Administrator that a grant will be awarded please contact Gladstone's Library or the Society of Mary and Martha directly who will invoice Sion College once the dates are confirmed. Please note that members will be responsible for any additional costs above the level of the grant.

Grants Committee: Sabbatical or study leave grants

When applications for sabbatical or study leave grants are considered by the Sion College Grants Committee, account will be taken of:

- ◆ The level of engagement with, and contribution to, the wider life of the College, shown by applicants.
- ◆ The educational value of the proposed activities, i.e. in what ways the proposed programme will benefit the applicant and their ministry
- ◆ Financial need and whether the activity to be funded represents reasonable value for money.

The rationale for this policy is that:

- ◆ One of the two central aims of Sion College is to promote fellowship amongst its members. It is therefore assumed that members of the College will play their part in contributing to the College by taking part in its events. In order to facilitate access to events, the College has a policy of varying the days and the times of day when its events take place, to give maximum opportunity for all members to attend at least some of its activities throughout the year.
- ◆ The other central aim is to support the education of clergy with a view to the development of their ministry for the benefit of the church and its mission and ministry in the broadest terms, including ministerial development and sabbatical refreshment
- ◆ Funds are limited and to be used for the wider public benefit requiring some assessment of benefit, need and value.

Appendix A – Grant making policy

Grants Committee: Library Grants

The Grants Committee can receive applications for library grants from Sion College members for theological study. Sion College Fellows and Members can apply for such grants from the start of their membership. In the event of the number of applications exceeding the budget set for this purpose in any one calendar year, awards will normally be made on a first come, first served basis.