

**THE SODOR AND MAN DIOCESAN ASSOCIATION
(SAMANDA)**

(UK CHARITY REGISTRATION NO: 507933)

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

THE SODOR AND MAN DIOCESAN ASSOCIATION

FINANCIAL STATEMENTS

For the year ended 31 December 2021

Index	Page
Trustees' Report	1 - 3
Independent Examiner's Report	4
Receipts and payments Account	5
Statement of Assets & Liabilities	6
Notes to the accounts	7 – 11

Professional Advisors

Bankers	Isle of Man Bank, 2 Athol Street, Douglas, Isle of Man.
Legal Advisor - Sodor & Man Diocesan Registrar	Mrs Louise Connacher, Lupton Fawcett LLP, Stamford House, Piccadilly, York, YO1 9PP
Independent Examiner	Louise Kelly FCA Grant Thornton Limited Exchange House, 54/62 Athol Street, Douglas Isle of Man, IM1 1JD
Address of Charity	Church House, Great Smith Street, London SW1P 3NZ
Investment Advisors	Sodor & Man Diocesan Board of Finance Investment Committee.

THE SODOR AND MAN DIOCESAN ASSOCIATION

TRUSTEES' REPORT

For the year ended 31 December 2021

Structure, Governance and Management

The Society is registered with the Charity Commission for England and Wales. (Registration number 507933). The charity was constituted on 30 June 1978. The Trustees are drawn from serving and past members of the Sodor and Man Diocesan Board of Finance, are elected annually at the Annual General Meeting and are listed below.

Trustees

President and Chairman - The Lord Bishop of Sodor and Man

Committee members - Mr J Power; the Venerable Andrew Brown (retired 18 September 2021), the Venerable Irene Cowell (appointed 16 June 2022), James E Noakes.

General Secretary

Mrs Michelle Barwood

Principal Office

Church House, Great Smith Street, London SW1P 3NZ

Treasurer

Mrs Lisa Johnson, 21 Brighton Terrace, Douglas, Isle of Man, IM1 4AP

Charitable Objectives, Policies and Investment Powers

The Charity's purpose is to further the advancement of the Christian religion in the Diocesan of Sodor and Man. The Charity is regulated by the Charities Act of 2011. In furtherance of its object the charity is to:

- A. obtain, collect and retain funds in the United Kingdom by donations, subscriptions, grants legacies and other means for this purpose.
- B. transmit funds from time to time to the Diocese of Sodor and Man for this purpose.
- C. support the charitable work of the Diocese of Sodor and Man.

The Trustees have given due consideration to the Charities Act 2011 and are satisfied that the activities noted above are adequate such that they have complied with public benefit guidance.

During the year Samanda has continued to have loans from The Sodor & Man Diocesan Board of Finance, St George's Parish Church and other Parishes. Such loans have been invested in 'The Central Board of Finance of the Church of England'. Under the terms of the Charity, provision has been made for the income from such investments to be distributed to the lenders.

The Trustees consider the resources of the Charity to be appropriate in the context of the Charity's activities. Samanda has received continued funding from the Sodor and Man Diocesan Board of Finance, an entity under the same common control, as disclosed in note 4 to the accounts.

THE SODOR AND MAN DIOCESAN ASSOCIATION

TRUSTEES' REPORT

For the year ended 31 December 2021

Future Plans

There are no plans to change the activities of the Charity.

Review of investments

It is the Charity's policy to provide a balance of income and capital growth.

During the year there were no significant changes in the proportion of underlying investment portfolio represented by the CBF Investment fund and the CBF Fixed Interest Securities fund. 97.2% (2020 - 97.91%) of the invested funds at the initial cost are now invested in the CBF Investment fund. An analysis of the portfolio by cost and market value is set out in note 9. Investments are stated at valuation. The market value adjustment for the year is gain of £1,357,910 (2020 – gain of £228,435) which arises as a consequence of the year end revaluation.

The original funding for such investments was by way of loan. As the lenders have confirmed that in the event of a loan repayment arising the amount to be repaid would reflect any movement in market value at that time, the trustees consider it is appropriate that a market value adjustment of £1,357,910 (2020 – gain of £228,435) be made to the value of the loans made to the charity to reflect the overall rise in market value of such loans during the year – see notes 2, 5 & 6 to the accounts.

Financial Results and Reserves Policy

The results for the year are set out fully in the Receipts and payments Account on page 5. The investment income available for distribution in the year has increased. Day to day costs of management and administration continue to be met by the Sodor and Man Diocesan Board of Finance, which enables expenditure of a non direct charitable nature to be kept to a minimum. The Trustees consider that the assets of the charity are sufficient to fulfil its obligations. As a consequence no reserves are held or considered necessary.

THE SODOR AND MAN DIOCESAN ASSOCIATION

TRUSTEES' REPORT

For the year ended 31 December 2021

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and regulations.

The Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008 require the trustees to prepare the financial statements for each financial period. Under that law the trustees have prepared the financial statements on a receipts and payments basis. In preparing those Financial Statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011 and regulations made thereunder. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees at a Trustees meeting held on
by

2022 and signed on its behalf

For the Trustees

For the Trustees

THE SODOR AND MAN DIOCESAN ASSOCIATION

Independent examiner's report to the Trustees of The Sodor and Man Diocesan Association

I report on my examination of the accounts of The Sodor and Man Diocesan Association for the year ended 31 December 2021 which are set out on pages 5 to 11.

Responsibilities and basis of report

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

I report in respect of my examination of the Charity's accounts 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.

Respective responsibilities of Trustees and examiner

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

It is my responsibility to:

- examine the accounts under Section 145 of the Charities Act 2011,
- to follow the procedures laid down in the general directions given by the Charity Commission (under section 145(5)(b) of the Charities Act 2011), and
- to state whether particular matters have come to my attention.

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 accounts do not accord with those records; or
3. 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.

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.

Louise Kelly FCA
Chartered Accountant
Grant Thornton Limited
Third Floor, Exchange House
54/62 Athol Street
Douglas
Isle of Man

Date:

THE SODOR AND MAN DIOCESAN ASSOCIATION

RECEIPTS AND PAYMENTS ACCOUNT

For the year ended 31 December 2021

		Restricted funds		Restricted funds	
		2021		2020	
	<i>Note</i>	£	£	£	£
Receipts:	<i>1</i>				
Donations		-		5,044	
CCLA - Dividends & interest received		70,959		68,884	
CCLA Share fund dividends		<u>11,305</u>		<u>10,915</u>	
Total receipts			82,264		84,843
Payments:					
Direct charitable expenditure					
Grants paid	8	<u>82,264</u>		<u>84,843</u>	
Total payments			(82,264)		(84,843)
Net movement in funds			<u>-</u>		<u>-</u>
Unrealised Gains on investments	5	1,357,910		228,435	
Realised Gains on investments	5	-		-	
Market Value Adjustment	5/6	<u>(1,357,910)</u>		<u>(228,435)</u>	
			-		-
Balance brought forward			-		-
Balance carried forward			<u><u>-</u></u>		<u><u>-</u></u>

Unrestricted funds amount to £100 and there has been no movement in un-restricted funds during the current or previous year.

The results derive entirely from continuing operations.

THE SODOR AND MAN DIOCESAN ASSOCIATION

STATEMENTS OF ASSETS AND LIABILITIES AS AT 31 DECEMBER 2021

		2021	2020
	Notes	£	£
Fixed assets			
Investments	1f & 5	<u>4,916,151</u>	<u>3,537,028</u>
		4,916,151	3,537,028
Current assets			
Bank		-	-
Debtor		<u>100</u>	<u>100</u>
		<u>100</u>	<u>100</u>
Current liabilities			
DBF Loan	2	<u>(4,916,151)</u>	<u>(3,537,028)</u>
		<u>(4,916,151)</u>	<u>(3,537,028)</u>
Net current (liabilities)		<u>(4,916,051)</u>	<u>(3,536,928)</u>
Total net assets		<u>100</u>	<u>100</u>
Represented by:			
Restricted funds		-	-
Un-restricted funds	3	<u>100</u>	<u>100</u>
Total funds		<u>100</u>	<u>100</u>

Approved on
and authorised for issue by:

For the Trustees

For the Trustees

THE SODOR AND MAN DIOCESAN ASSOCIATION

NOTES TO THE ACCOUNTS

For the year ended 31 December 2021

1 Accounting Policies

The financial statements have been prepared on a receipts and payments basis in accordance with applicable law. The charity's income is below the level which would trigger full Statement of Recommended Practice for Charities compliance.

A summary of the material accounting policies is set out below:

a) *Basis of accounting*

The financial statements are prepared on a receipts and payments basis, as modified by the revaluation of investments and loan liabilities to fair value.

b) *Unrestricted Funds*

Unrestricted funds represent the initial funding capital.

c) *Investment and donation income and Grants*

CCLA Dividend income and interest are accounted for when received. Tax recoverable relating to specific donations received is accounted for when received. Investment income received is distributed via grants to those parties providing loans to the Association. The grants paid equal the investment income arising on the loans provided and donations received.

d) *Direct charitable expenditure*

Direct charitable expenditure includes all expenditure directly related to the objectives of the Charity and comprises grants made during the year.

e) *Other expenditure*

Day to day costs of management and administration have been met by the Sodor and Man Diocesan Board of Finance.

f) *Investments*

Investments are held with CCLA Investment Management Limited and are stated at fair value on an open market basis, as advised by that institute. An analysis of the portfolio by cost and market value is set out in note 9. The market value adjustment each year arises as a consequence of the year end revaluation. See note 6 for detail.

g) *Taxation*

The Sodor and Man Diocesan Association is a registered UK charity, whose activities are exempt from taxation under the Income and Corporation Taxes Act 1988 and Taxation of Chargeable Gains Act 1992.

h) *Loans*

Loans advanced to the Association are used to acquire investments. These loans are subject to an annual market value adjustment such that the liability of the Association is equal to the market value of the investments acquired.

i) *Cash at bank*

Cash at bank represents funds held with CCLA Investment Management Limited.

THE SODOR AND MAN DIOCESAN ASSOCIATION

NOTES TO THE ACCOUNTS *(continued)*

For the year ended 31 December 2021

j) Pensions

Samanda acts as an agent for the DBF regarding the transmission of pension contributions to the Church Of England Pensions Board at a rate agreed with the actuaries from time to time. From 1 January 2011 the rate was 38.2% from 1 January 2015 the contribution rate is set at 39.9% of pensionable stipends (of which 14.1% is in respect of the £293m shortfall in the Scheme and 25.8% is in respect of accrual of future benefits and the day-to-day expenses of running the scheme).

k) Going Concern

Taking into account the Board's intention to continue its activities, and the net asset position, the financial statements have been drawn up on a going concern basis.

THE SODOR AND MAN DIOCESAN ASSOCIATION

NOTES TO THE ACCOUNTS *(continued)* For the year ended 31 December 2021

2 Long Term Liabilities

	B/f loan £	Loans advanced/ (repaid) £	Market value adj (note 6) £	2021 £	2020 £
The Sodor and Man Diocesan Board of Finance	3,386,345	34,962	485,831	3,907,138	3,386,345
The Sodor and Man Diocesan Board of Finance as custodian Trustee on behalf of:					
St Georges PCC	120,291	-	17,296	137,587	120,291
Rushen PCC	13,144	-	854,280	867,424	13,144
St Mathews PCC	12,166	(12,166)	-	-	12,166
Patrick PCC	3,499	-	503	4,002	3,499
Braddan PCC	1,583	(1,583)	-	-	1,583
	<u>3,537,028</u>	<u>21,213</u>	<u>1,357,910</u>	<u>4,916,151</u>	<u>3,537,028</u>

The loans are unsecured, interest free and have no fixed date for repayment.

3 Un-restricted Funds

	2021 £	2020 £
Initial funding Capital	<u>100</u>	<u>100</u>

4 Related Party Transactions

As disclosed within the Trustees' report, during the year, Samanda has received continued funding from the Sodor and Man Diocesan Board of Finance, an entity under the same common control, in order to further its activities. Grants have also been paid from Samanda to the Sodor and Man Diocesan Board of Finance in respect of investment income received. At the year end, the outstanding loan balances (after market value adjustment - note 6) in respect of these transactions was £3,907,174 (2020 - £3,386,345). This loan is unsecured, interest free and not subject to any fixed repayment date. The Trustees' have not received any remuneration from the charity during the year (2020 - £nil). Admin costs incurred in the Diocesan Board of Finance accounts relating to Samanda for the Treasurer salary and examination fee are not re charged to Samanda.

5 Investments

	2021 £	2020 £
Investment fund 1 January	3,537,028	3,308,593
Net Loans in year	21,213	-
Movement on unrealised gains	<u>1,357,910</u>	<u>228,435</u>
Investment fund at 31 December	<u>4,916,151</u>	<u>3,537,028</u>

Cost £2,669,354 (2020 - £1,839,032)

Details of investments, including those comprising over 5% of the value of the portfolio, are shown in note 9.

6 Market Value Adjustment

As a consequence of stock market fluctuations the underlying value of the investment portfolio will vary over time. The original funding of such investments was by way of loan. The lenders have confirmed that in the event of a loan repayment arising the amount to be repaid will reflect any movement in market value at that time. As such a market value adjustment has been applied to the amount of such loans to reflect this situation and state the loan balances at the amounts repayable.

THE SODOR AND MAN DIOCESAN ASSOCIATION

NOTES TO THE ACCOUNTS *(continued)* For the year ended 31 December 2021

7 Pension Fund Contributions - CBF Pension Fund

Samanda acts as an agent for the Diocesan Board of Finance regarding the transmission of pension contributions to the Church Of England Pensions Board. During the year £137,699 (2020: £122,243) was paid in connection with this arrangement. No funds are held on behalf of the Diocesan Board of Finance at the year end (2020: Nil).

8 Grants Paid

	2021	2020
	£	£
Sodor and Man Diocesan Board of Finance re:		
Administration	12,264	11,842
Benefice Endowments	11,380	11,075
Bishops Property (Residence Fund)	4,875	4,708
Clergy Stipends	27,807	26,853
Clergy Widows & Children	826	893
Cubbon Cathedral Trust	11,081	10,701
Development fund	1,409	1,361
Diocesan Pastoral Account	5,453	5,266
Hoare Trust	156	151
Lady Hastings	93	90
Retired clergy	1,458	1,456
St Johns Church	59	57
St Judes Parsonage	1,086	1,049
Training fund	62	69
Braddan PCC	11	44
German PCC	-	5,044
Patrick PCC	102	98
Rushen PCC	382	369
St Georges PCC	3,496	3,376
St Matthew's PCC	263	341
	<u>82,263</u>	<u>84,843</u>

All grants have been made directly to churches, charitable bodies and the Sodor and Man Diocesan Board of Finance, all of which are based in the Isle of Man, and share the same charitable objectives as the charity as set out on page 1 of the Trustees Report.

THE SODOR AND MAN DIOCESAN ASSOCIATION

NOTES TO THE ACCOUNTS *(continued)*

For the year ended 31 December 2021

9 Investment Schedule

	Nominal Holding			Cost					Marke t
	Brought Forward	Additions (Disposals)	Carried Forward	Brought Forward	Additions (Disposals)	Carried Forward	Proceeds on Disposal/Transfer	Profit/(Loss) on disposal	Value 31- Dec - 21
				£	£	£		£	£
CBF Fixed Interest Securities Fund									
Hoare Trust	63.00	-	63.00	104.40	-	104.40	-	-	99.53
Retired Clergy	3,854.93	-	3,854.93	6,190.08	-	6,190.08	-	-	6,090.40
Training fund	711.00	-	711.00	1,122.39	-	1,122.39	-	-	1,123.31
Benefice Endowment	6,822.82	-	6,822.82	11,039.59	-	11,039.59	-	-	10,779.37
Clergy Widows & Children	7,555.94	-	7,555.94	12,544.58	-	12,544.58	-	-	11,937.63
	19,007.69	-	19,007.69	31,001.04	-	31,001.04	-	-	30,030.24
CBF Investment Fund									
Administration	20,763.08	-	20,763.08	247,525.75	-	247,525.75	-	-	486,339.69
Benefice Endowments	51,085.16	-	51,085.16	609,140.18	-	609,140.18	-	-	1,194,725.40
Bishops Residence Fund (was Bishops Property)	8,203.77	-	8,203.77	126,946.11	-	126,946.11	-	-	191,859.11
Clergy Stipends	46,789.57	-	46,789.57	410,457.01	-	410,457.01	-	-	1,094,256.68
Cubbon Cathedral Trust	18,652.64	-	18,652.64	154,686.39	-	154,686.39	-	-	436,221.20
Development fund	2,357.00	-	2,357.00	25,969.17	-	25,969.17	-	-	55,130.00
Diocesan Pastoral Account	11,008.19	-	11,008.19	117,959.10	-	117,959.10	-	-	257,450.78
Hoare Trust	238.00	-	238.00	2,618.99	-	2,618.99	-	-	5,557.61
Lady Hastings	155.95	-	155.95	1,216.00	-	1,216.00	-	-	3,647.16
Retired Clergy	2,167.61	-	2,167.61	23,884.22	-	23,884.22	-	-	50,705.62
Training for Ministry	109.00	-	109.00	840.16	-	840.16	-	-	1,784.22
Braddan PCC	77.42	(77.42)	-	603.00	(603.00)	-	1,610.99	1,007.99	-
Patrick PCC	171.14	-	171.14	1,419.00	-	1,419.00	-	-	4,002.40
Rushen PCC	642.84	36,447.64	37,090.48	5,387.00	800,000.00	805,387.00	-	800,000.00	867,423.93
St Georges - General/ PCC	2,937.23	-	2,937.23	28,582.72	-	28,582.72	-	-	68,692.11
St Georges PCC re									
Graves Trust account	863.94	-	863.94	8,780.19	-	8,780.19	-	-	20,204.71
Poor Fund	137.49	-	137.49	1,230.38	-	1,230.38	-	-	3,215.44
Keyes Legacy	97.91	-	97.91	988.74	-	988.74	-	-	2,287.45
Barrack St Mission Schm.	2,151.09	-	2,151.09	19,909.74	-	19,909.74	-	-	43,187.28
St Matthe w's PCC	595.00	(595.00)	-	4,037.00	(4,037.00)	-	13,074.05	9,037.05	-
Clergy Widows & Children	838.00	-	838.00	9,223.36	-	9,223.36	-	-	19,578.20
	170,042.03	35,775.22	205,817.25	1,801,404.21	795,360.00	2,596,764.21	14,685.04	810,045.04	4,806,268.99
CBF Investment Fund - accumulation shares									
Bishops Residence Fund (was Bishops Property)	691.14	-	691.14	6,626.60	-	6,626.60	-	-	40,316.56
Squire Trust	-	677.86	677.86	-	34,962.33	34,962.33	-	-	39,535.03
TOTAL	189,740.86	36,453.08	226,193.94	1,839,031.85	830,322.33	2,669,354.18	14,685.04	810,045.04	4,916,150.82