

Report and Financial Statements
For the year ended 31 December 2019



Formerly known as Sons & Friends of the Clergy



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Charity registered in England & Wales
Charity number 207736

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London
SW1P 3HB

Patron:

Her Majesty The Queen

Tel: 020 7799 3696

Honorary Presidents:

The Archbishop of Canterbury
The Archbishop of York
The Bishop of London
The Bishop of Worcester
The Lord Mayor of the City of London

Email: help@clergysupport.org.uk
Website: www.clergysupport.org.uk

A message from the Treasurers

We are pleased to commend to our Governors, beneficiaries and supporters this Trustees' report for 2019, which gives details on a successful and significant year for the Charity.

The current year, 2020, has brought major new challenges for the UK charity sector, and indeed for the whole world, but Clergy Support Trust is well placed to ride out the storm and continue supporting its beneficiaries, as it has done for the last 365 years.

We highlighted in last year's report our decision in March 2019 to rebrand the Charity as Clergy Support Trust and to announce a bold new strategic plan taking the organisation through to 2022. Key goals in the plan were to raise the profile of the Charity and to double the number of beneficiaries helped from its 2018 level of 547. The rebrand, the development of an award-winning new website, and the launch of a more focused and responsive approach to grant-making in July 2019, led to a quick upturn in demand for our support. By the end of the year we were able to report a record level of grants expenditure at £3.13m (2018: £2.58m), a record number of grants disbursed at 1,608, up over 35% on the previous year (2018: 1,185), and a record number of beneficiary households helped, up by two-thirds at 906 (2018: 547). We also dramatically improved turnaround times for grant decisions. This significantly increased activity was a testament to the professionalism and hard work of the small staff team, based at our office in Westminster, and we take this opportunity of thanking them for their efforts.

Another important goal in our 2019-22 strategic plan was to develop a better understanding of our charitable impact, which is never easy for charities which make grants to individuals as opposed to organisations. So Trustees were pleased to see the results of our first beneficiary impact survey, in which we asked 575 grant recipients in the second half of the year how our support had impacted their lives and ministries. Over two-fifths of beneficiaries responded. Including those who said we had helped both a little or a lot, the figures were most encouraging: we had made life easier (100%), helped beneficiaries worry less about money (98%), helped them continue to flourish and improve in their ministry or work (93%), and helped them maintain or improve their mental health (87%). This last point was especially pleasing, in the context of the growing stresses on clergy families and the Church of England's Covenant for Clergy Care and Wellbeing, passed as an Act of General Synod in February 2020.

Our financial results for 2019 were also very pleasing. Before any movements in our investments are taken into account, we showed a modest deficit for the year of £71k (2018: surplus of £687k, driven in part by an exceptional property sale), but this was planned given the increase in beneficiary demand. Our balance sheet at the end of the year was at its strongest level ever. We continue to be grateful to our investment managers for their efforts on our behalf.

Another highlight of the year was the approval by our Governors (in November) of our updated Royal Charter, which was subsequently approved by our Patron Her Majesty The Queen through an Order in Council in February 2020. We now have a modern constitution which is truly 'fit for purpose'. Our AGM in November also saw the election as Honorary Presidents of the Bishop of Worcester (who previously had been a Visitor of the Charity in his role as Lord High Almoner) and the Lord Mayor of the City of London. We are especially grateful for the close and historic links which exist between the Charity and the City.

Since the year-end the Charity has been impacted like many others by COVID-19. The needs of our clergy beneficiaries have changed, and we have sought to adapt our grant-making to respond to this. Meanwhile our investment assets and income have been affected by market volatility and cuts in company dividends, as detailed in the Financial Review section on pages 12 to 13. However, the Charity has a strong balance sheet and Trustees have resolved to maintain our grant expenditure as far as possible, while recognising that most of the Charity's spend is discretionary and could be adjusted in extremis.

We take this opportunity once again of thanking our fellow Trustees and Governors, the management and staff, the Festival Stewards and our other supporters for their contributions over the last year.

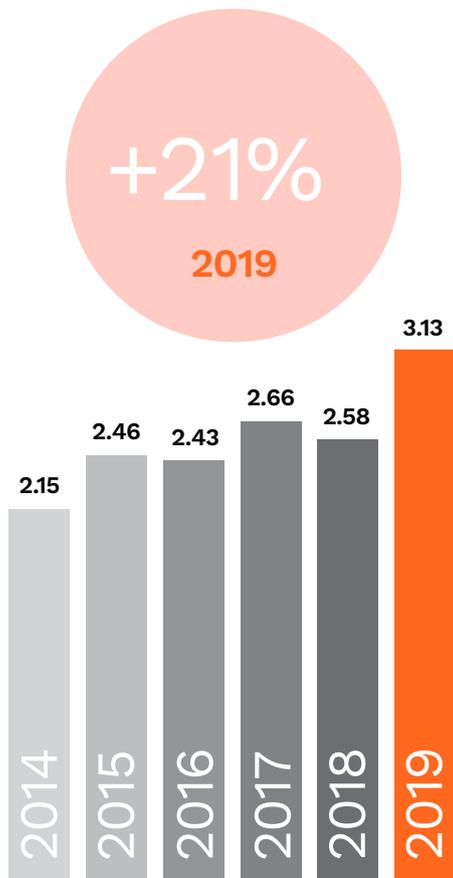
The Revd Canon Simon Butler
Senior Treasurer

The Revd Canon Roxanne Hunte
Treasurer

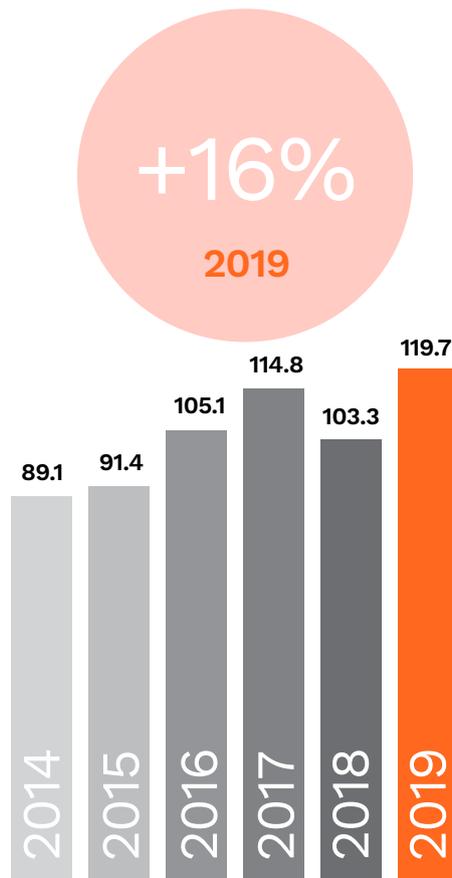
The Ven David Lowman
Treasurer

The Charity in numbers

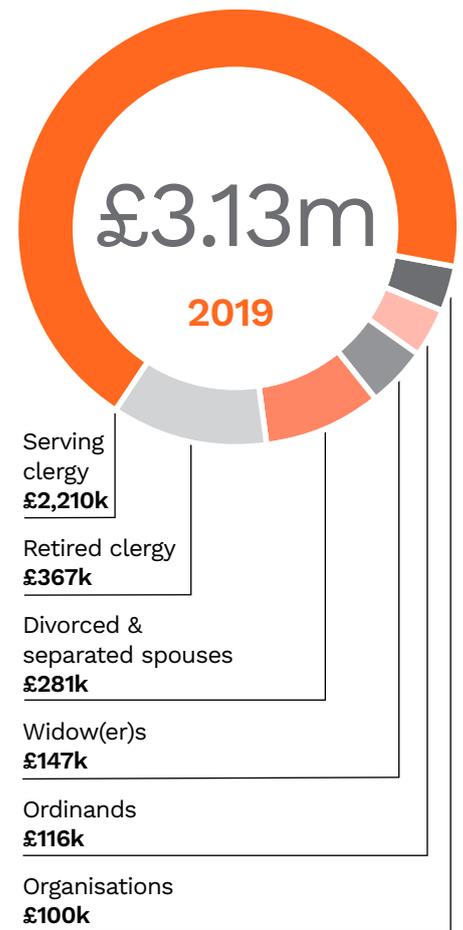
Grants expenditure (£m)



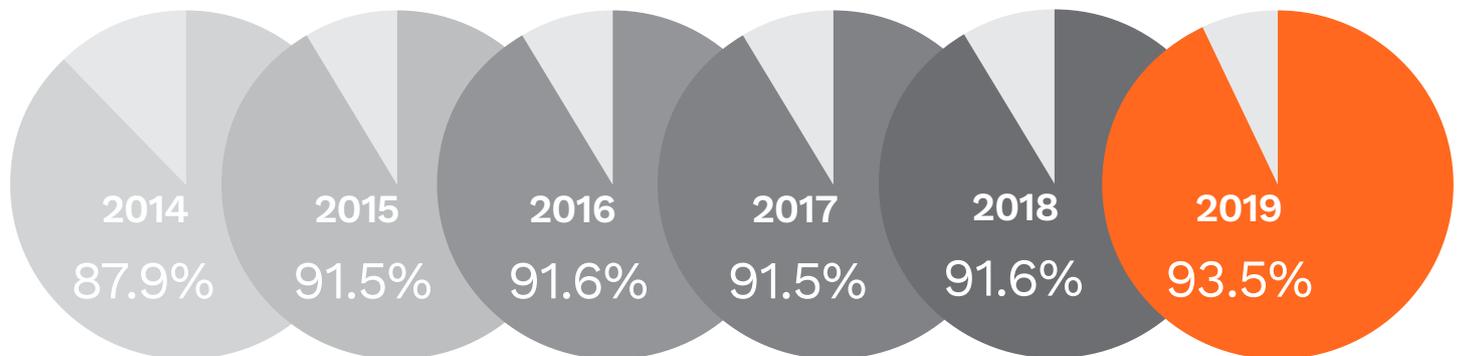
Total funds (£m)



2019 Grants spend by beneficiary type (£k)



Charitable spend as % of total spend (%)



The above figures are taken from the audited results for the Charity for the years from 2014 to 2019. Further commentary on the 2019 results can be found in the 'Financial review' section on pages 12 to 13. In the pages that follow, we give details of what we achieved in 2019, and set out our future plans.

Objectives, activities and public benefit

Clergy Support Trust (“the Charity”), formerly known as Sons & Friends of the Clergy, is a charity set up by Royal Charter dated 1 July 1678 and registered in England & Wales (number 207736). The Charity is governed by a board of trustees (“the Trustees”), known under the Royal Charter as the Court of Assistants.

The Trustees are pleased to present their Annual Report, together with audited financial statements, for the year ended 31 December 2019.

Objects and principal activities of the Charity

The Charity was originally established in 1655 by sons of clergymen to raise funds for destitute Anglican clergy who had lost their livings under Oliver Cromwell. The current objects of the Charity were established in 2012 through Charity Commission Schemes and an Order in Council as part of the amalgamation, effective 1 January 2013, of the Corporation of the Sons of the Clergy and the Friends of the Clergy Corporation, which itself was incorporated by Act of Parliament in 1849. The objects were further amended by an Order in Council effective 15 November 2017 and now read as follows:

‘The Charity shall apply the clear yearly income and at its discretion the whole or part of the property of the Charity for the public benefit in providing assistance to beneficiaries, whether directly or indirectly, in such manner as and by such means as the Court of Assistants from time to time in their absolute discretion think fit for the relief or prevention of poverty or hardship or for the relief of illness, and the promotion of health, whether physical or mental. “Beneficiaries” means members of the clergy, ordinands and the spouses, former spouses, children and dependants of living or deceased members or former members of the clergy or ordinands.

- a) “children” includes adopted children, step-children and persons treated as the children of a marriage or civil partnership.
- b) “civil partners” means the members of a civil partnership within the meaning of Section 1 (1) of the Civil Partnership Act 2004.
- c) “clergy” and “members of the clergy” means bishops, priests and deacons of the Anglican Communion.
- d) “ordinands” means persons who are preparing for ordination as members of the clergy.
- e) the “spouse” of a person means his or her wife, husband, civil partner, widow, widower or surviving civil partner.”

The main focus of the Charity at present is to provide assistance in the form of discretionary cash grants to retired and serving clergy in the Church of England, the Church in Wales, the Scottish Episcopal Church and the Church of Ireland, together with the dependants of such clergy. In addition, we provide support to those training for ordained Anglican ministry (ordinands). Grants are made at the full discretion of the Charity to beneficiaries in the furtherance of the above objects. Applicants for financial support grants are asked to complete an application form giving details of their household’s financial circumstances and the Charity takes this information into account when considering applications and awarding grants. Applications for health-related grants are usually assessed by the Charity’s medical adviser, a retired General Practitioner.

Public benefit

In carrying out these activities the Trustees have complied with the duty under section 17(5) of the Charities Act 2011 to have regard to the Charity Commission’s guidance on public benefit and they are satisfied that the Charity fulfils its fundamental objects and so provides public benefit.

Volunteers

The Trustees are the only volunteers directly involved in the work of the Charity. All the Trustees give their time voluntarily and receive no personal benefit from the Charity. Further information on the Trustees is included in the Governance section below. Details of Trustees’ expenses reclaimed from the Charity are set out in Note 9 to the financial statements.

Achievements, performance and future plans

Grant-making

Our principal charitable activity in 2019 continued to be the making of cash grants to Anglican clergy or ordinands, or their dependants, in times of financial hardship or other difficulty. In July 2019 we introduced a new grants policy based on different areas of need, including financial hardship, smaller emergency grants for unforeseen costs, help towards those coping with ill-health (physical and mental) and help towards more preventative initiatives aimed at promoting overall health. These changes, together with our relaunch and rebranding in March 2019, led to a significant increase in total grants spend to £3,129k (2018: £2,578k).

We gave out 1,608 grants in the year to 906 individual households (2018: 1,185 grants to 547 households), and additionally, in partnership with SPCK, provided our Ordinand Library resource to 924 individuals, mostly Anglican ordinands and curates (2018: 455). Emergency and wellbeing grants were only introduced in July 2019, so comparisons with 2018 are not particularly meaningful. The breakdown by types of grant was as follows:

Financial support grants – £1,976k (2018: £1,948k) – Financial support grants are made to serving or retired clergy households where the stipend, pension or other household income are insufficient and where there is an identifiable financial need. We means-test such applications using the Joseph Rowntree Foundation's Minimum Income Standard, a benchmarking methodology which takes into account net household income, composition and housing costs. For serving Anglican clergy, we add a percentage uplift to this benchmark, to take into account the specific costs associated with ministry.

Emergency grants – £194k (2018: £6k) – Emergency grants are available for eligible applicants for a range of unexpected costs that may place a burden on household budgets. Car-related costs, general living expenses, appliance breakdowns and school-related costs were the most popular grants awarded in 2019. Grants are up to a maximum of £500 and households may apply for up to two grants in any twelve-month period.

Health grants – £208k (2018: £168k) – Health grants are available where statutory provision is lacking, or NHS waiting times are deemed unreasonable. Care home and nursing top-up grants were the largest area of spend and included grants to two care homes, The College of St Barnabas and Terrys Cross, in support of fees for eligible beneficiaries. Therapy costs for counselling and mental health support were the next largest area of spend and also the most applied-for grant.

Wellbeing grants – £548k (2018: £205k) – Wellbeing grants are designed to be more preventative in nature (promotion of health). Holidays and retreats were by far the most popular, with many clergy valuing the need to spend quality time with family, recharging, or simply some time away from busy parishes. Fitness and leisure activities also gained in popularity under the new grants policy, promoting healthy lifestyles.

Training (ordinand & curate online library) – £103k (2018: £181k) – From September 2018 the Charity began to phase out its previous policy of giving small grants to those training for ordained ministry in the Church of England whose personal income fell below a certain level. We gave 189 such grants in 2019 (2018: 505 grants) and these grants are likely to cease over the next year. From September 2018 we introduced two new ways of supporting Anglican ordinands in the UK and Ireland. The first was a free digital Library resource, in partnership with SPCK Publishing, to whom we pay a fee dependent on the number of eligible beneficiaries who sign up. The resource, which makes available over 1,000 books from the SPCK and IVP back catalogues, proved very popular with theological education institutions and by the end of 2019 we had extended the resource to curates-in-training as well as ordinands. Ordinands are also able to access health grants on the same basis as ordained clergy and this accounted for £13k of the overall health grant spend of £208k cited above.

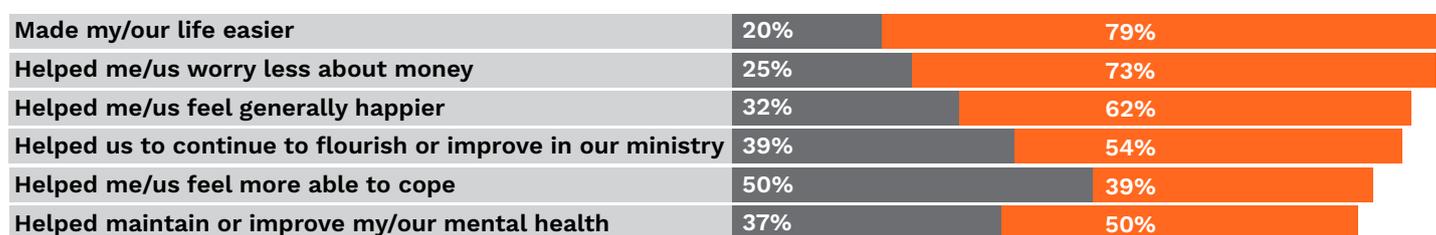
Organisations – £100k (2018: £69k) – We provided grants to three partner organisations. Further details can be found in Note 7 to the financial statements on pages 28 to 29.

All grants are subject to a savings/capital test. Applicants who own a property and who have savings or liquid assets in excess of £16,000 (the limit at which means-tested state benefits are stopped) are not normally eligible for support, as we would expect them to access their own resources first. We continue to exempt from this savings threshold (up to £200k) those clergy who do not own property, on the basis that many stipendiary clergy in tied housing will be saving for their own home in retirement.

One pleasing aspect of our grant-making in 2019, despite the 36% increase in the number of grants approved during the year, was a significant improvement in our average time for processing grants. This was one of the key operational objectives in our 2019-22 strategic plan. In the second half of 2019, following the introduction of our new policy in July, average processing time for all grants (the period between application and payment) was 6.9 days (2018: 45.7 days). This improvement resulted in part from many of our smaller grants no longer being subject to an income means-test, but also reflected our streamlined governance, where the vast majority of grant decisions were taken by staff on the basis of delegated authority and a clear grant-making policy set by Trustees.

Impact

One of our key strategic goals over the next few years is to develop a greater understanding and measurement of our charitable impact. To this end, we trialled in January 2020 an online survey of all our grant recipients in the previous six months (ie since the introduction of the new grant-making policy in July 2019), asking them about how our support had made a difference. Of the 575 grant recipients surveyed, 247 (43%) responded, which was pleasing. Headline results from the survey included the following:



Key: ■ a little ■ a lot

Governance

The last external governance review was in 2016. Mindful of the guidance in the Charity Commission's Governance Code that all trustee boards should commission an external evaluation of governance every three years, the Court of Assistants commissioned an external board effectiveness review from Forge Leadership Consultancy at the end of 2019. This review took the form of a bespoke online questionnaire and telephone interviews with each Trustee. The results were shared with Trustees and senior management at their offsite in January 2020. The overall conclusion was that on six out of seven Governance Code Principles (organisational purpose, leadership, effectiveness, risk/control, integrity and openness/accountability) the Court's own view of its overall effectiveness was very positive. The one Principle where improvement was clearly needed was board diversity. Other areas where further work needed to be done were on performance management, the extent to which Trustees engage in the issues affecting beneficiaries (especially now that most grant decisions are delegated to staff) and the measurement of impact. These recommendations will be considered by the relevant board committees in 2020.

Four Trustees (Christine Allsopp, Christopher Davies, Andrew Gillett and Tom Hoffman) retired from the Court in November 2019 after a combined total of 71 years' service. The Charity repeated its 2018 experiment of using an executive search firm to assist in the recruitment of new Trustees, and accordingly four new Trustees (Adam Chamberlain, Martin Cooper, Nancy Goodrich and Stephen Hogg) were added to the Court in November after an open and transparent recruitment process. Pleasingly, three of these new Trustees came from the Northern

Areas where we appeared to make less impact were helping beneficiaries access health services or treatments more quickly (35% said we had helped a lot or a little) and helping beneficiaries save for the future (29%). We hope to refine this survey in future years.

Province of the Church of England, which went some way to addressing the previous southern 'bias' in Court membership. The revised Royal Charter (see below) now includes a clause stating that only in exceptional and limited circumstances, and with the approval of two-thirds of the Court, will Trustees be permitted to remain on the board for longer than nine years.

The Court has noted that the engagement of its Governors (members) in the work of the Charity has waned in recent years. Trustees believe that Governors are an under-utilised resource and also an invaluable accountability mechanism, and towards the end of 2019 began a consultation with Governors on their future role, and how engagement might be improved. This work will come to a conclusion later in 2020.

Royal Charter

As reported in last year's Trustees' Report, the Court agreed in 2018 to begin work with lawyers on a major revision of our 1678 Royal Charter, much of which was no longer fit for purpose as a modern charity constitution. This work came to fruition with the approval by Governors at the Annual General Court meeting (AGM) in November 2019 of a modernised Royal Charter, which was subsequently approved by Her Majesty The Queen by means of an Order in Council dated 12 February 2020. The registered name of the Charity (The Governors of the Charity for Relief of the Poor Widows and Children of Clergymen), its charitable objects and unincorporated status remain unchanged, but in most other respects the revised Royal Charter closely mirrors the model articles for a charitable company as recommended by the Charity Commission.

Achievements, performance and future plans (cont.)

Marketing and communications

Historically the main marketing focus of the Charity has been on the annual Festival Service which takes place at St Paul's Cathedral each May. The 365th Festival was held on 21 May 2019 and was well attended by Stewards, Livery Companies, representatives of the Church and other supporters. The choirs of St Paul's and Canterbury and Coventry Cathedrals led the worship, while the preacher was the Dean of Gloucester, the Very Revd Stephen Lake. The service was followed by the traditional Festival Dinner at Merchant Taylors' Hall. Trustees and staff initiated a major review in 2019 into how future Festivals can be better used to promote the mission of the Charity.

Pension fund

The Charity has in the past operated a defined benefit (final salary) pension scheme, The Corporation of the Sons of the Clergy Staff Retirement Benefit Scheme. In 2018, as part of the process to wind-up the scheme, all annuities held by the scheme were assigned to the individual pensioners concerned. In February 2019 the Trustees passed a resolution to formally wind-up the scheme. Finally, in October 2019, following Trustee approval of final audited accounts for the Scheme for the 18 months to 30 June 2019, which showed that there were no assets and all liabilities had been fully discharged, the wind-up deed was executed.

Plans for the future

As reported in last year's Trustees' Report, our four-year strategy to 2022 was launched alongside our rebrand in March 2019 and included the following high-level objectives:

1. To **increase awareness of our work** among beneficiaries and other stakeholders, and increase the number of people who come to us for help.
2. To at least double **the number of beneficiaries we support each year** from the 2018 level (excluding ordinands) of 547.
3. To develop a greater understanding and measurement of our **charitable impact**, and to communicate this to all stakeholders.
4. To improve our **internal governance**, most particularly by having an updated Royal Charter and by renewing the board (Court of Assistants) and making it more diverse.
5. To focus more on **strategic partnerships** – clearly defining areas for potential new partners to help us deliver our charitable goals.

6. To begin the process of **diversifying income** beyond investment income through targeted legacy and other fundraising campaigns.

The rebrand and our new award-winning website (runner-up in the 'Best New or Redesigned Website' category at the 2019 Premier Digital Awards), together with a higher social media profile, have already led to a significant increase in awareness of our work. This manifested itself in a two-thirds increase in the number of beneficiary households helped, from 547 in 2018 to 906 in 2019. Our focus in 2020 and beyond will be to settle in our new more focused grant-making policy, introduced in July 2019, and to support our grants team as they move from a transactional to a more relational approach towards our beneficiaries.

We have improved our measurement of charitable impact (see page 6 above) but recognise that more needs to be done in this area. Governance was a major focus in 2019, with the recruitment of four new Trustees and the adoption of a modernised Royal Charter, approved by Her Majesty The Queen by means of an Order in Council in February 2020. A key governance focus in 2020 will be improving board diversity and stepping up our engagement with our Governors. Strategic partnerships will also be a focus, and to this end we agreed in 2019 to develop a new partnership with St Luke's Healthcare to run a trial of resilience training for curates in three Church of England dioceses. We hope to launch more strategic partnerships in 2020 and beyond and also hope to show some progress on Research Grants initiative, launched in October 2019, which offers grants of up to £15,000 for focused academic-quality research into areas affecting clergy wellbeing.

The COVID-19 pandemic began to impact the Charity's activities from the beginning of March 2020. Fortunately the Charity had a robust business continuity plan in place and staff were able quickly to move to home-working. Initially grant applications were sharply reduced as clergy focused their time and efforts on supporting their communities and adapting to the unique circumstances of lockdown. Applications increased after Easter as the consequences of the pandemic began to have an impact on the finances of clergy households. With its strong balance sheet, even after falls in the value of investment assets, the Charity has committed to maintaining its grant expenditure as far as possible, and to seeing how it can adapt its grants and other charitable activities to meet the changed needs of its beneficiaries.

Governance

Court of Assistants

The overall management of the Charity is vested in the Court of Assistants (“the Court”), which consists of the Trustees of the Charity. The Trustees who served during the year and up to the date of this report are listed under ‘Reference and Administrative Details’ on pages 14 to 15. The Court met formally six times in 2019 in order to conduct the principal business of the Charity and also met for an informal Trustee/staff away day in January 2019.

The members of the Court are elected each year by the Governors of Clergy Support Trust at the Annual General Court (in future to be called the Annual Assembly, to distinguish it from the Trustee body) in accordance with the Royal Charter. The officers of the Charity, known as the Treasurers, are also elected by the Governors at the Annual General Court.

The Court delegates some of its responsibilities to four committees with agreed terms of reference which are reviewed annually. The committees met as follows:

- Governance Committee – met five times to consider governance issues, including the revision of the Royal Charter and the recruitment of new Trustees.
- Grants & Partnerships Committee – met four times to consider the Charity’s grant-making activities.
- Investment Committee – met three times to consider investment policy and review the performance of the Charity’s investment managers.
- Risk, Audit & Finance Committee – met four times to oversee all matters relating to risk, internal and external audit and finance.

Ad hoc working groups that met during the year included a strategy working group and a Trustee appointments panel.

Trustee recruitment and induction

The Trustees keep their membership under review in order to ensure a wide and relevant representation within their number. New members are normally recruited from within the relevant skill areas in order to bring to the Court people who not only have the experience and expertise that are needed but who are also sympathetic to the work of the Charity. All new Trustees are provided with an induction which comprises meetings with one or more of the Officers of the Charity and the Chief Executive and the provision of relevant background documentation.

Trustee attendance

The table overleaf sets out the attendance of Trustees at meetings of the Court and its committees during 2019.

Governance (cont.)

	Court of Assistants ¹		Committees ^{2,3}		Total	
	Total	Attended	Total	Attended	Total	Attended
The Venerable Christine Allsopp ^{5,8}	6	6	4	4	10	10
The Revd Canon Simon Butler ^{4,7}	7	7	4	3	11	11
Mr Adam Chamberlain ⁹	1	1	0	0	1	1
Mr Martin Cooper ⁹	1	1	0	0	1	1
The Revd Canon Christopher Davies ^{5,6,8}	6	4	7	4	13	8
The Revd Dr Jack Dunn ⁴	7	4	5	4	12	8
Mr Richard Farmbrough ⁴	7	6	5	5	12	11
Mr Andrew Gillett ^{4,7,8}	6	5	8	7	14	12
The Revd Nancy Goodrich ⁹	1	1	0	0	1	1
Mr Jeremy Hargreaves ^{4,7}	7	7	9	8	16	15
Mr Tom Hoffman ^{6,8}	6	4	3	3	9	7
Mr Stephen Hogg ^{7,9}	1	1	4	4	5	5
The Revd Canon Roxanne Hunte ⁷	7	4	4	1	11	5
Mrs Jackie Jordan ⁵	7	6	4	3	11	9
The Revd Canon Wendy Kennedy ⁷	7	7	4	4	11	11
The Ven David Lowman ⁵	7	5	4	4	11	9
Mr Jonathan Prichard ^{4,7}	7	6	9	5	16	11
Mr Bill Seddon ^{6,10}	0	0	3	3	3	3
The Rt Revd Tim Thornton ⁵	7	1	4	0	11	1
Mr Patrick Walker ^{6,7}	7	6	7	7	14	13

1. Substantive Court meetings only, including January 2019 offsite
2. Excludes working groups
3. Excludes Treasurer ex officio membership (unless chair of committee)
4. Governance Committee
5. Grants & Partnerships Committee
6. Investment Committee
7. Risk, Audit & Finance Committee
8. Retired from Court in November 2019
9. Elected to Court in November 2019
10. Non-Trustee member of committee

Executive management and organisational structure

The day-to-day management of the Charity is delegated to the Chief Executive, Jeremy Moodey, who leads a Senior Leadership Team which additionally consists of the following two directors:

- Kris Davidson, Director of Central Services, who looks after the finances, property, IT and other central services of the Charity and managed a team of two staff during the course of 2019, one of whom retired at the end of the year.
- Sarah Crombie, Director of Charitable Services, who oversees the Charity's grant-making and other charitable services and manages a team of four staff.

In January 2020 it was announced that Jeremy Moodey intends to retire as Chief Executive later in the year, to focus on his training to become an ordained self-supporting minister in the Church of England. The process of finding a new Chief Executive is currently under way, led by the Senior Treasurer and the Governance Committee.

Key management personnel

The key management personnel of the Charity in 2019 comprised the Trustees, the Chief Executive and the Directors of Central Services and Charitable Services. The total employee benefits of the key management personnel of the Charity are disclosed in Note 9 to the financial statements. Remuneration and benefits for executive management are set by Trustees on the basis of peer sector benchmarking and annual cost of living adjustments. There is currently no performance-related pay scheme in operation.

Principal risks and uncertainties

Trustees and management regularly review the major risks to which the Charity is exposed and consider how these might be mitigated. A detailed risk register is kept constantly under review by Trustees and management. In general, the activities of the Charity are not subject to major risk. Income is derived from a diverse portfolio of investments and charitable expenditure is largely discretionary, so could be scaled back if income fell below expected levels. There is no over-reliance on donated income or statutory funding. None of the Charity's activities are subject to external regulation (other than by the Charity Commission) and the Charity does not engage in any regulated activities for Safeguarding purposes.

Subject to this, the three main risks identified by Trustees as potentially impacting the work of the Charity are:

- The security and sustainability of the Charity's **investment portfolio**, and the associated income, in the context of increased market volatility, especially since the start of the COVID-19 pandemic in 2020. The Charity's approach to mitigating this risk is set out under 'Investments and investment performance' on page 12 to 13 below.
- The capacity of the Charity and its staff team to deliver on its objectives in the face of **significantly increased beneficiary demand**, especially since the Charity's rebrand and relaunch in March 2019.
- The longer-term impact of the COVID-19 pandemic on our beneficiaries, particularly in the context of stretched diocesan and parish finances and also pressures on household incomes and clergy mental health.

Fundraising

In accordance with the Charities (Protection and Social Investment) Act 2016, the following statement outlines the approach of the Charity to fundraising in 2019.

At present, and in the light of its significant investment portfolio, the Charity does not actively fundraise, other than through its annual Festival Service at St Paul's Cathedral, where a general appeal to support the work of the Charity is made. Occasional donations and legacies are also received, but these are not currently actively solicited. The Charity does not contract the services of any professional fundraisers, nor does it have any commercial participator agreements. During the course of the year we did not receive any complaints about our fundraising practice. We do not engage in persistent or intrusive fundraising practices with any of our supporters.

Financial Review

Unless otherwise stated, figures are expressed in m (millions) or k (thousands).

Total income for the year amounted to £4.27m (2018: £4.68m). The decrease year-on-year reflected the fact that 2018 included proceeds from the sale of an investment property (£386k). After adjusting for this, overall income was largely flat year-on-year, with a slight increase in investment income offset by reduced donation income. Total expenditure amounted to £4.34m (2018: £4.00m). Grant expenditure was significantly increased year-on-year at £3.13m (2018: £2.58m), mainly as a result of changes in our grant-making policy and the rebranding and relaunch of the Charity in March 2019. Support and governance costs of £446k were down on the 2018 figure of £607k, because the latter included a £263k write-off of office refurbishment costs from 2006. Staff costs of £501k were slightly ahead of the previous year (2018: £489k). The overall net deficit before transfers and net gains on investments was £71k (2018: net surplus of £687k) and reflected a planned policy of Trustees to begin a period of operating deficits after many years of annual surpluses. After taking into account transfers and net gains on investments, total funds rose at year-end by £16.4m (2018: decrease of £11.5m).

Investments and investment performance

The main source of income for the Charity continues to be its investment portfolio. The Charity's Statement of Investment Policy is reviewed annually by Trustees, and the Investment Committee reviews the performance of the Charity's investment managers on a regular basis, together with asset allocation. The Charity adopts a long-term approach to investment, seeking to achieve the best possible total return within an acceptable level of risk. The Charity's investment objective over the medium-term is to achieve a total return which outperforms the rate of inflation (as measured by CPI) by at least 4.0%.

The Charity seeks to mitigate investment risk by having a diversified portfolio managed by four fund managers. One of these, the Charities Property Fund (CPF), managed by Savills Investment Management Limited, focuses only on property investments and consequently performed less well in the year relative to the other portfolios, given weakness in the UK commercial property market against strength in UK equities (FTSE All-Share index up 14% over the year) and the fact that equities predominated in the other portfolios. The portfolios managed by Sarasin (71% UK and overseas equities) and Cazenove (65%) have a balanced multi-asset approach while the Charles Stanley portfolio is at present almost wholly (97%) focused on equities.

The portfolio values and performance of the four fund managers during 2019 are summarised below. Total investment funds at year-end were £114.9m (2018: £98.3m). Cazenove's performance benchmark is its long-term (ten-year) target of inflation plus 4%, so not directly comparable to the other benchmarks, which are annual targets. Sarasin's benchmark is a composite of relevant indices. Charles Stanley's benchmark is the FTSE All Share index, while the CPF's benchmark is the AREF/MSCI All Balanced Property Funds Index.

Manager	Value of Portfolio £	Portfolio Return %	Performance Benchmark %	Relative Performance %
Cazenove Capital Management ¹	20,494,808	+12.9	+5.3	+7.6
Sarasin & Partners LLP ²	22,494,060	+19.8	+18.5	+1.3
Charles Stanley & Co Limited	61,241,951	+28.4	+19.2	+9.2
Charities Property Fund	10,621,090	+2.1	+1.6	+0.5

¹ Charity Multi-Asset Fund

² Alpha CIF for Endowments

The annualised three and five year returns for the Charity's longer-serving investment managers are shown for information overleaf.

Periods ended December 2019 (annualised)	Portfolio	Performance	Relative	Portfolio	Performance	Relative
	Return	Benchmark	Performance	Return	Benchmark	Performance
	3 years			5 years		
	%	%	%	%	%	%
Sarasin & Partners LLP ¹	8.6	7.8	+0.8	8.0	8.5	-0.5
Charles Stanley & Co Ltd	8.5	6.9	+1.6	10.8	7.5	+3.3
Charities Property Fund	6.4	6.0	+0.4	7.5	6.6	+0.9

1 Alpha CIF for Endowments

The Charity also owns three investment properties, together with some agricultural land in Northamptonshire, which had an independently assessed market value at the year-end of £2.4m (2018: £2.4m).

As at 31 May 2020 (or 31 March 2020 in the case of the Charities Property Fund, this being the most recent available valuation), the Charity's externally-managed investment funds were valued at £101.6m. This represented a fall of 11.5% from the value as at 31 December 2019 of £114.9m and reflected market volatility in the first five months of 2020 arising from the COVID-19 pandemic.

Further information on our investments can be found in Note 12 to the financial statements.

Funds and reserves policy

The Charity's total funds as at 31 December 2019 were £119.7m (2018: £103.3m) comprising £117.6m of unrestricted funds (2018: £101.2m) and £2.1m of restricted funds (2018: £1.9m). The £202k endowment fund shown in the 2018 accounts, reflecting the 'quasi-endowment' Palmer Estate Fund, was derestricted by Trustees in June 2019 and transferred to unrestricted funds.

The unrestricted funds principally comprise a designated investment fund which as at 31 December 2019 totalled £114.5m (2018: £98.9m). The designated investment fund represents the Charity's unrestricted investment assets held for the long-term to generate income for the Charity's current and future activities in support of its beneficiaries. Other unrestricted funds at 31 December 2019 included an undesignated general fund of £2.1m (2018: £1.9m) and a designated sum of £1.0m which represents an amount set aside by Trustees for investment in partnerships and special projects as envisaged in the 2019-22 Strategic Plan.

The restricted funds principally comprise the Clergy Orphan Corporation fund, which is restricted to providing financial assistance to children of clergy of the Church of England and of the Church in Wales.

Further details of the designated, restricted and endowment funds held by the Charity can be found in Note 16 to the financial statements.

The Charity's revised policy on reserves, agreed by Trustees in May 2019, is to hold free reserves (defined as unrestricted net current assets less provisions and excluding any designated funds) sufficient to cover at least three months of forecast operating costs for the current year. As at 31 December 2019 the Charity held free reserves of £1.4m (2018: £1.4m), equivalent to approximately 4.2 months of expected operating costs in 2020, as forecast in May 2020 (2018: 4.0 months).

Reference and Administrative Details

Incorporation and registration

The Charity now operating under the working name of Clergy Support Trust, and previously (until March 2019) known as Sons & Friends of the Clergy, was originally founded in 1655 by a group of sons of clergymen. It was later incorporated by Royal Charter in 1678 under the name of the Governors of the Charity for Releefe of the Poore Widdowes and Children of Clergymen. The Royal Charter was amended in 1971, in 2012 (as part of the amalgamation, effective 1 January 2013, of the Corporation of the Sons of the Clergy and the Friends of the Clergy Corporation), in November 2017 (to amend the Charity's objects to include the promotion of health) and again in February 2020 (a complete revision of the Royal Charter to bring it into line with Charity Commission guidance). Clergy Support Trust is registered with the Charity Commission for England and Wales with the number 207736.

Trustees

The following were the members of the Court of Assistants throughout 2019 (except as stated below):

The Venerable Christine Allsopp (until 14 November 2019)
The Reverend Canon Simon Butler
Mr Adam Chamberlain (from 14 November 2019)
Mr Martin Cooper (from 14 November 2019)
The Reverend Canon Christopher Davies
(until 14 November 2019)
The Reverend Dr Jack Dunn
Mr Richard Farmbrough
Mr Andrew Gillett (until 14 November 2019)
The Reverend Nancy Goodrich (from 14 November 2019)
Mr Jeremy Hargreaves
Mr Tom Hoffman MBE (until 14 November 2019)
Mr Stephen Hogg (from 14 November 2019)
The Reverend Canon Roxanne Hunte
Mrs Jackie Jordan
The Reverend Canon Wendy Kennedy
The Venerable David Lowman
Mr Jonathan Prichard
The Right Reverend Tim Thornton
Mr Patrick Walker

Officers and Chief Executive

The officers of the Charity during 2019 were as follows:

Honorary Presidents	The Archbishop of Canterbury The Archbishop of York The Bishop of London The Bishop of Worcester (from 14 November 2019) The Lord Mayor of the City of London (from 14 November 2019)
Senior Treasurer	The Reverend Canon Simon Butler
Treasurers	The Venerable Christine Allsopp (until 14 November 2019) The Reverend Jack Dunn (until 14 November 2019) The Reverend Canon Roxanne Hunte (from 14 November 2019) The Venerable David Lowman (from 14 November 2019)
Chief Executive	Jeremy Moodey

Registered office

1 Dean Trench Street, Westminster, London SW1P 3HB

Auditors

Buzzacott LLP
130 Wood Street, London EC2V 6DL

Investment advisers/managers

Sarasin & Partners LLP
Juxon House, 100 St. Paul's Churchyard, London EC4M 8BU

Cazenove Charities
12 Moorgate, London EC2R 6DA

Charles Stanley & Co. Limited
55 Bishopsgate, London EC2N 3AS

The Charities Property Fund
33 Margaret Street, London W1G 0JD

Bankers

Messrs C Hoare & Co
37 Fleet Street, London EC4P 4DQ

National Westminster Bank Plc
PO Box 3038, 57 Victoria Street, London SW1H 0HN

Statement of Trustees' Responsibilities

The Court of Assistants is responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Court of Assistants to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the income and expenditure of the Charity for that period. In preparing these financial statements, the Court of Assistants is required to:

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

The Court of Assistants is responsible for adequate 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 it to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations and the provisions of the Royal Charter and Act of Parliament under which the Charity is incorporated. It is 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.

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

Signed on behalf of the Court of Assistants on 9 June 2020

The Revd Canon Simon Butler
Senior Treasurer

The Revd Canon Roxanne Hunte
Treasurer

The Ven David Lowman
Treasurer

Independent Auditor's Report to the Trustees

Opinion

We have audited the financial statements of Clergy Support Trust ('the Charity') for the year ended 31 December 2019 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 December 2019 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs (UK)') and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustee directors either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charity's Trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP
130 Wood Street
London
EC2V 6DL

Date: 7 July 2020

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Statement of Financial Activity

For the year ended 31 December 2019

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2019 £	Total Funds 2018 £
Income and endowments from:						
Donations and legacies	2	101,638	25,498	-	127,136	185,772
Investments	3	4,070,885	59,510	1,677	4,132,072	4,110,213
Charitable activities	4	13,694	-	-	13,694	386,329
Total income		4,186,217	85,008	1,677	4,272,902	4,682,314
Expenditure on:						
Raising funds	5	271,239	10,696	1,043	282,978	333,696
Charitable activities	6	4,053,149	8,060	-	4,061,209	3,661,429
Total expenditure		4,324,388	18,756	1,043	4,344,187	3,995,125
Net income/(expenditure) before transfers and investment gains/(losses)						
Transfer between funds		241,990	-	(241,990)	-	-
Net investment gains/(losses)	12	16,295,697	109,944	39,318	16,444,959	(12,204,202)
Net income/(expenditure) and net movement in funds		16,399,516	176,196	(202,038)	16,373,674	(11,517,013)
Total funds brought forward at 1 January 2019		101,227,200	1,877,370	202,038	103,306,608	114,823,621
Total funds carried forward at 31 December 2019	16	117,626,716	2,053,566	-	119,680,282	103,306,608

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

The notes set out on pages 22 to 32 form part of these financial statements.

Statement of Financial Activity

For the year ended 31 December 2018

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2018 £
Income and endowments from:					
Donations and legacies	2	155,312	30,460	-	185,772
Investments	3	4,051,891	56,756	1,566	4,110,213
Charitable activities	4	386,329	-	-	386,329
Total income		4,593,532	87,216	1,566	4,682,314
Expenditure on:					
Raising funds	5	324,061	8,653	982	333,696
Charitable activities	6	3,643,169	18,260	-	3,661,429
Total expenditure		3,967,230	26,913	982	3,995,125
Net income before investment gains/(losses)		626,302	60,303	584	687,189
Transfer between funds		-	-	-	-
Net investment gains/(losses)	12	(12,139,553)	(55,818)	(8,831)	(12,204,202)
Net income/(expenditure) and net movement in funds		(11,513,251)	4,485	(8,247)	(11,517,013)
Total funds brought forward at 1 January 2018		112,740,451	1,872,885	210,285	114,823,621
Total funds carried forward at 31 December 2018	16	101,227,200	1,877,370	202,038	103,306,608

The notes set out on pages 22 to 32 form part of these financial statements.

Balance Sheet

For the year ended 31 December 2019

	Notes	£	2019 £	£	2018 £
Fixed assets					
Tangible fixed assets	11	697,999		505,863	
Investment assets	12	117,286,909		100,783,990	
			117,984,908		101,289,853
Current assets					
Debtors	13	152,240		218,803	
Short-term deposits		1,174,330		1,423,946	
Cash at bank and in hand		582,150		580,577	
		1,908,720		2,223,326	
Current liabilities					
Creditors: amounts falling due within one year	14	(208,346)		(199,071)	
Net current assets		1,700,374		2,024,255	
Total assets less liabilities		119,685,282		103,314,108	
Provision for winding up pension scheme	9,18	(5,000)		(7,500)	
Total net assets		119,680,282		103,306,608	
Funds					
Unrestricted - Designated	16	115,517,925		99,295,892	
Unrestricted - General	16	2,108,791		1,931,308	
Restricted	16	2,053,566		1,877,370	
Endowment	16	-		202,038	
Total funds		119,680,282		103,306,608	

The financial statements were approved and authorised for issue by the Court of Assistants on 9 June 2020 and signed on their behalf by

The Revd Canon Simon Butler
Senior Treasurer

The Revd Canon Roxanne Hunte
Treasurer

The notes set out on pages 22 to 32 form part of these financial statements.

Statement of Cashflows

For the year ended 31 December 2019

	Total Funds 2019 £	Total Funds 2018 £	
Net cash used in operating activities	(a) (4,110,496)	(3,440,719)	
Cash flows from investing activities:			
Income, interest and rents from investments	4,132,072	4,104,379	
Proceeds from sale of property	-	482,329	
Purchase of furniture and equipment	(211,659)	(7,109)	
Proceeds from sale of investments	9,575,980	5,339,612	
Purchase of investments	(9,527,656)	(6,944,586)	
Net cash provided by investing activities	<u>3,968,737</u>	<u>2,974,625</u>	
Change in cash and cash equivalents	(141,759)	(466,094)	
Cash and cash equivalents brought forward	<u>2,074,032</u>	<u>2,540,126</u>	
Cash and cash equivalents carried forward	(b) <u>1,932,273</u>	<u>2,074,032</u>	
Reconciliation of net movement in funds to net cash used in operating activities			
(a) Net income (expenditure) for the reporting period	16,373,674	(11,517,013)	
Adjustments for:			
Depreciation charge	19,523	269,051	
Income, interest and rents from investments	(4,132,072)	(4,110,213)	
Loss/(profit) on sale of fixed assets	-	(386,329)	
(Gains)/losses on investments	(16,444,959)	12,204,202	
Decrease in debtors	66,563	57,718	
Increase in creditors	6,775	41,865	
Net cash used in operating activities	<u>(4,110,496)</u>	<u>(3,440,719)</u>	
(b) Analysis of cash and cash equivalents			
	Balance at 31 Dec 2018 £	Change in net debt	Balance at 31 Dec 2019 £
Cash at bank and in hand	580,577	1,573	582,150
Short term deposits	1,423,946	(249,616)	1,174,330
Cash balances held with investment managers	69,509	106,284	75,793
	<u>2,074,032</u>	<u>(141,759)</u>	<u>1,932,273</u>

The notes set out on pages 22 to 32 form part of these financial statements.

Notes to the Financial Statements

For the year ended 31 December 2019

Clergy Support Trust (“the Charity”) is a corporation governed by Royal Charter and a charity registered in England & Wales with the registered address of 1 Dean Trench Street, Westminster, London SW1P 3HB. Its principal charitable activity is the provision of financial grants and other support to Anglican clergy households in times of hardship or crisis.

1 Accounting policies

(a) Basis of preparation and assessment of going concern

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Charities Act 2011, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The financial statements are presented in pounds sterling which is the Charity’s functional currency. Unless otherwise stated, amounts are rounded to the nearest £1.

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

Given the Charity’s high level of reserves and the significant balances held in listed investments, the Trustees do not consider the outbreak of the COVID-19 pandemic in early 2020 and the subsequent introduction of containment measures to have created any material uncertainty or risk to the Charity’s ability to continue in operation. They have therefore prepared these accounts on a going concern basis. The most significant area of uncertainty that affects the future carrying value of the assets held by the Charity is the level of investment return and the performance of investment markets, particularly in the light of the current COVID-19 pandemic. See the investment policy and performance and risk management sections of the Trustees’ annual report for more information.

(b) Funds structure

Details of the various funds held and of the terms on which each of those funds is held are set out in Note 16 to the financial statements.

(c) Income recognition

Income is recognised in the Statement of Financial Activities when entitlement is both reliably measurable and there is probable receipt. Where income derived from endowment funds is unrestricted this is included within unrestricted funds. Income comprises donations, legacies, income from listed investments and rental income from the Charity’s investment properties.

Legacies are recognised following the granting of probate when the administrator or executor for the estate has communicated in writing both the amount and settlement date. In the event that the legacy is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the legacy being reliably measurable with a degree of reasonable certainty.

Interest on funds held on deposit is included when receivable and notification has been received from the bank. Income from investment funds is recognised once notification has been received from the investment advisors. Dividends are recognised once the

dividend has been declared and notification has been received of the dividend due. Income derived from the letting of the Charity’s investment properties is recognised in the period to which the tenancy relates.

(d) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis and includes irrecoverable VAT. All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

Grants are considered as gifts from the Charity and are made at the full discretion of the Trustees to beneficiaries in the furtherance of the charitable objects of the Charity. In the case of an unconditional grant offer, this is accrued once the recipient has been notified of the grant award. Deferred grants are grants that have been awarded but are not payable until some future date. Most school fees grants and certain other grants are paid by instalments and some other grants are awarded for payment at a future date.

(e) Governance costs

Governance costs comprise all costs associated with the strategic as opposed to day-to-day management of the Charity’s activities together with the public accountability of the Charity and its compliance with regulations and good practice.

(f) Expenditure on raising funds

Expenditure on raising funds consists of investment management costs and an allocation of staff costs based on staff time. Investment funds management costs are allocated on the basis of percentage holdings of investments in each of the Charity’s funds. Investment property costs are those relating to the individual properties held in each of the Charity’s funds.

(g) Expenditure on charitable activities

Expenditure on charitable activities consists of grants made, an allocation of staff costs based on staff time and all support and governance costs. These costs have been allocated wholly to charitable activities as a significant proportion of the Charity’s investments are managed externally and the amount spent on fundraising is insignificant.

(h) Tangible fixed assets and depreciation

Freehold properties are included at cost. No depreciation is provided on such properties as the Charity is an unincorporated charity, and the estimated residual values are considered to be in excess of cost. Regular maintenance is carried out on these properties to mitigate against any indicator of impairment.

All assets costing over £1,000 are capitalised and stated at historical cost. Depreciation is charged on a straight line basis on fixtures and fittings and equipment over their estimated useful life from the year of acquisition of ten, five and three years, respectively.

(i) Fixed asset investments

Fixed asset investments that are a form of basic financial instrument are initially recognised at their transaction value and subsequently measured at their fair value as at the reporting date using the closing quoted market price.

Fixed asset investment properties are measured at fair value at each reporting date.

All gains and losses on investments are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and transaction value. Unrealised gains and losses for the year are calculated as the difference between the fair value at the year end and the opening carrying value, or the transaction value if acquired in the financial year. Realised and unrealised gains and losses on investments are combined in the Statement of Financial Activities.

(j) Gains and losses on investments

All gains and losses on investments are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and transaction value. Unrealised gains and losses for the year are calculated as the difference between the fair value at the year end and the opening carrying value, or the transaction value if acquired in the financial year. Realised and unrealised gains and losses on investments are combined in the Statement of Financial Activities.

(k) Pensions

In accordance with auto-enrolment, the Charity contributes a percentage of salary into a Group Pension Plan, which comprises a series of personal pension plans arranged for the Charity's eligible employees. The employer contribution levels exceed the minimum levels required under auto-enrolment. The Charity historically operated a pension scheme, the Corporation of the Sons of the Clergy Staff Retirement Benefit Scheme which is now closed and a resolution was passed in February 2019 by the Charity's Trustees to wind up the scheme.

(l) Financial assets and liabilities

The Charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. With the exception of the fixed asset investments referred to in (i) above, the Charity's basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

The main form of financial risk faced by the Charity is that of volatility in investment markets due to wider economic conditions.

(m) Key judgements and estimates

The preparation of the financial statements requires the Trustees to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosures of contingent liabilities at the date of the financial statements. If in the future such estimates and assumptions, which are based on the Trustees' best judgement at the date of the financial statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the year in which the circumstances change. The Trustees consider the following to be the main sources of estimation uncertainty:

- Provisions – a provision to cover the winding up of the pension scheme has been included in the balance sheet. This has been calculated based on the Trustees' available knowledge up to the date that the financial statements are approved.
- Income recognition of legacies – legacies have been recognised when receipt is probable and on a case-by-case basis once the value can be measured reliably.
- The estimated useful life of tangible fixed assets.
- The valuation of the Charity's investment properties.

2 Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2019 £
Donations	73,501	6,749	-	80,250
Legacies	28,137	18,749	-	46,886
	<u>101,638</u>	<u>25,498</u>	<u>-</u>	<u>127,136</u>

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2018 £
Donations	76,960	8,060	-	85,020
Legacies	78,352	22,400	-	100,752
	<u>155,312</u>	<u>30,460</u>	<u>-</u>	<u>185,772</u>

Notes to the Financial Statements (cont.)

For the year ended 31 December 2019

3 Investment income

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2019 £
Rental income	53,804	20,078	-	73,882
Income from investment funds	4,008,931	39,030	1,672	4,049,633
Bank Interest	8,150	402	5	8,557
	<u>4,070,885</u>	<u>59,510</u>	<u>1,677</u>	<u>4,132,072</u>

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2017 £
Rental income	35,260	18,792	-	54,052
Income from investment funds	4,011,858	37,659	1,565	4,051,082
Bank Interest	4,773	305	1	5,079
	<u>4,051,891</u>	<u>56,756</u>	<u>1,566</u>	<u>4,110,213</u>

4 Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2019 £
Sale of furniture	13,694	-	-	13,694

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2018 £
Surplus on sale of freehold property	386,329	-	-	386,329

Following the closure to new occupants of the Charity's housing scheme for retired clergy and their wives/widows some time ago, houses are sold as and when they become vacant and are not replaced. The last such house was sold in 2018.

5 Expenditure on raising funds

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2019 £
Investment management costs				
- investment properties	13,719	6,215	-	19,934
- investment funds	243,016	4,481	1,043	248,540
Staff costs (see note 9)	14,504	-	-	14,504
	<u>271,239</u>	<u>10,696</u>	<u>1,043</u>	<u>282,978</u>

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2018 £
Investment management costs				
- investment properties	75,976	4,286	-	80,262
- investments	233,795	4,367	982	239,144
Staff costs (see note 9)	14,290	-	-	14,290
	<u>324,061</u>	<u>8,653</u>	<u>982</u>	<u>333,696</u>

Investment management costs are allocated to the funds on the basis of percentage holdings of investments held in each fund. Investment property costs comprise management fees and property maintenance costs relating to properties held in each fund. Staff costs are allocated on the basis of estimated staff time.

6 Expenditure on charitable activities

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2019 £
Grants (see note 7)	3,121,092	8,000	-	3,129,092
Support and governance costs (see note 8)	445,958	60	-	446,018
Staff costs (see note 9)	486,099	-	-	486,099
	<u>4,053,149</u>	<u>8,060</u>	<u>-</u>	<u>4,061,209</u>

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2018 £
Grants (see note 7)	2,559,561	18,200	-	2,577,761
Charitable housing costs	1,583	-	-	1,583
Support and governance costs (see note 8)	607,336	60	-	607,396
Staff costs (see note 9)	474,689	-	-	474,689
	<u>3,643,169</u>	<u>18,260</u>	<u>-</u>	<u>3,661,429</u>

All support and governance costs have been allocated to charitable activities as the amount spent on cost of generating funds is insignificant. Staff costs are allocated on the basis on estimated staff time.

7 Grants

During the year, the Charity awarded 1,608 grants to qualifying individuals and organisations (2018: 1,185).

	Number of grants	2019 £	Number of grants	2018 £
Serving clergy households	1,095	2,118,169	467	1,531,097
Retired clergy households	146	367,328	113	316,699
Divorced or separated spouses	99	280,700	59	284,378
Ordinands (health and book grants)	209	56,707	505	160,680
Widows/Widowers	56	146,810	39	195,432
Organisations	3	100,000	2	69,000
	<u>1,608</u>	<u>3,069,714</u>	<u>1,185</u>	<u>2,557,286</u>

Serving clergy includes retired clergy who are still in active ministry with a bishop's Permission to Officiate (PTO).

The number of grants in 2018 has been restated from last year's accounts to reflect a different way of counting grants - previously a single grant consisting of two types of support (eg emergency and wellbeing) was counted as a single grant.

In addition to the above, and gradually replacing the book grants for ordinands which are being phased out, the Charity partnered with SPCK Publishing to provide free subscriptions for its Clergy Support Trust Library e-book resource to ordinands, Anglican curates-in-training and others (eg diocesan staff and theological college librarians) as follows:

Notes to the Financial Statements (cont.)

For the year ended 31 December 2018

7 Grants (cont.)

	Number of subscriptions	2019 £	Number of subscriptions	2018 £
Clergy Support Trust Library	924	59,378	455	20,475

Included in the above numbers for 2019 are subscriptions (new or renewal) which have been activated but not yet been invoiced by SPCK Publishing.

The breakdown of grants expenditure by type of support was as follows:

	Number of grants	2019 £	Number of grants	2018 £
Financial support	541	1,975,637	509	1,947,859
Emergencies	392	193,776	18	6,432
Health	120	208,142	50	168,505
Wellbeing	363	548,689	101	204,810
Training support (grants)	189	43,470	505	160,680
Training support (Clergy Support Trust Library)	-	59,378	-	20,475
Organisations	3	100,000	2	69,000
	<u>1,608</u>	<u>3,129,092</u>	<u>1,185</u>	<u>2,577,761</u>

The following three organisations received grants from the Charity:

Society of Mary & Martha - £50,000 (2018: £54,000). This charity, also known as Sheldon, supports people in ministry at times of stress, crisis, burnout or breakdown.

Holy Rood House - £15,000 (2018: £15,000). This charity provides professional therapeutic support and relaxation for Anglican clergy, their partners (current or former) and families.

Personal Emergencies Fund - £35,000 (2018: £Nil). The Personal Emergencies Fund of the Anglican Communion was set up in 1979 by Archbishop Donald Coggan to meet the critical medical needs of clergy and church workers and their families around the Anglican Communion.

In addition, grants were made to the following two care homes in respect of residents who were beneficiaries:

College of St Barnabas - individual grants were awarded to seven residents of the College of St. Barnabas, totalling £36,365 (2018: 18 individual grants totalling £45,767). The College is a retirement community for Anglican clergy and their spouses, as well as clergy widows, with a significant number of residents whose means are insufficient to meet the costs incurred for their care.

Terrys Cross - individual grants were awarded to one resident of Terrys Cross Trust totalling £6,000 (2018: two residents totalling £12,000). This charity provides retirement accommodation and respite care for those associated with the Church of England.

8 Support and governance costs

	Unrestricted Funds	Restricted Funds	Total Funds 2019
	£	£	£
Support costs:			
Festival costs	27,470	-	27,470
Property costs	52,291	-	52,291
Office refurbishment	113,242	-	113,242
Marketing & communication	23,478	-	23,478
Grants review & consultancy	6,148	-	6,148
Recruitment costs	13,448	-	13,448
Office equipment maintenance	48,088	-	48,088
Website costs	41,064	-	41,064
Staff training	14,700	-	14,700
Other office expenses	57,273	60	57,333
Legal and professional	19,224	-	19,224
Governance costs:			
Legal and professional	16,032	-	16,032
Auditor's remuneration	13,500	-	13,500
	<u>445,958</u>	<u>60</u>	<u>446,018</u>

	Unrestricted Funds	Restricted Funds	Total Funds 2018
	£	£	£
Support costs:			
Festival costs	32,229	-	32,229
Property costs	64,974	-	64,974
Marketing & communication	65,635	-	65,635
Grants review & consultancy	-	-	-
Recruitment costs	35,223	-	35,223
Office equipment maintenance	33,075	-	33,075
Staff training	13,437	-	13,437
Other office expenses	45,637	60	45,697
Write-Off refurbishment costs	263,113	-	263,113
Legal and professional	22,729	-	22,729
Governance costs:			
Legal and professional	14,244	-	14,244
Auditor's remuneration	17,040	-	17,040
	<u>607,336</u>	<u>60</u>	<u>607,396</u>

The annual Festival is the most significant event in the Charity's year, providing the opportunity to celebrate both the support that the Charity is able to give its beneficiaries today and the nearly four-hundred-year tradition on which the Charity is founded. Through the Festival Service and Dinner, the Charity increases the awareness of its activities and benefits from the generous donations received, including those from Stewards, the Livery Companies and the collection at the Service.

9 Staff costs

	2019 £	2018 £
Salaries	423,301	386,425
Social security costs	39,305	37,676
Pension costs (see note 18)	37,997	64,878
	<u>500,603</u>	<u>488,979</u>

These net costs comprise the staff costs referred to in Notes 5 and 6 and have been allocated on the basis on estimated staff time.

During the year under review, the following staff earned total emoluments, excluding employer's pension costs, in excess of £60,000:

	2019 No.	2018 No.
£60,000 - £70,000	2	2
£80,000 - £90,000	-	1
£90,000 - £100,000	1	-

The Charity's key management personnel during the year comprised the members of the Court of Assistants, the Chief Executive, the Director of Charitable Services and the Director of Central Services. Total employment benefits, including employer pension contributions, of the key management personnel in 2019 were £266,162 (2018: £251,301). Three employees had benefits in excess of £60k (2018: three).

The average number of employees, analysed by function, was:

	2019	2018
Generating funds, grants and support	9	8
Administration and governance	1	1
	<u>10</u>	<u>9</u>

Pension costs

	2019 £	2018 £
Pension payments		
(10% Personal Pension Plan)	36,107	34,675
Death in Service premiums & admin costs	1,890	1,991
Deficit funding in respect of Pension Scheme	-	-
Pension Scheme Costs	-	20,712
Provision for winding up Pension Scheme	-	7,500
	<u>37,997</u>	<u>64,878</u>

Members of the Court of Assistants did not receive any remuneration or benefits in kind in respect of their services during the year under review (2018: nil). Travel expenses of £8,081 (2018: £10,510) were reimbursed to 13 Trustees (2018: 13).

Notes to the Financial Statements (cont.)

For the year ended 31 December 2019

10 Auditor's remuneration

The auditor's remuneration comprised an audit fee of £11,600 (2018: £12,750, which includes £1,500 for the audit of the Corporation of the Sons of the Clergy Staff Retirement Benefit Scheme).

11 Tangible fixed assets

	Freehold Property £	Fixtures, fittings and equipment £	Total £
Cost (as restated)			
At 1 January 2019	500,775	64,583	565,358
Addition	-	211,659	211,659
At 31 December 2019	500,775	276,242	777,017
Depreciation			
At 1 January 2019	-	59,495	59,495
Charge for year	-	19,523	19,523
At 31 December 2019	-	79,018	79,018
Net book value			
At 31 December 2019	500,775	197,224	697,999
At 31 December 2018	500,775	5,088	505,863

The Charity's property at 1 Dean Trench Street in Westminster is a 'mixed use' property comprising the Charity's office and a three-bedroom residential flat which is rented out. The property was previously classified as a freehold property under tangible fixed assets and shown at cost. Since 2018 the residential component of the property has been reclassified as an investment property (see note 12). The land and operational component of the building remain classified as a freehold property under tangible fixed assets.

Additions include the capitalised elements of the office refurbishment costs in accordance with the Charity's accounting policy for Tangible Fixed Assets and Depreciation.

12 Investment assets

	2019 £	2018 £
Investment properties		
- United Kingdom	2,435,000	2,435,000
Investment funds	114,851,909	98,348,990
	<u>117,286,909</u>	<u>100,783,990</u>

	2019 £	2018 £
a) Investment properties – United Kingdom		
Market value at 1 January	2,435,000	2,535,000
Profit/(loss) on sale	-	-
Net gain/(loss) on revaluation	-	(100,000)
Market value at 31 December	<u>2,435,000</u>	<u>2,435,000</u>
Historical cost at 31 December	176,102	176,102

Investment properties are valued at open Market Value at the balance sheet date. Investment properties have been valued by Berrys Chartered Surveyors, Edward James Surveyors and Tuckerman Chartered Surveyors, in accordance with the Royal Institution of Chartered Surveyors' "Valuation – the Global Standards 2017". The Trustees of the Charity have adopted a policy of obtaining an independent valuation for the investment properties every five years, and adjusting the most recent valuation by a suitable property price index annually to account for any material differences arising in the intervening years.

- One agricultural property was valued at £310,000 by Messrs Berrys, Chartered Surveyors.
- Three residential properties were valued in aggregate at £1,225,000 by Edward James Surveyors Ltd.
- One further residential property (the flat at 1 Dean Trench Street) was valued at £900,000 by Tuckerman Chartered Surveyors.

	Total 2019 £	Total 2018 £
b) Investment funds		
Market value at 1 January	98,279,481	108,778,709
Additions	9,527,656	6,944,586
Disposals	(9,575,980)	(5,339,612)
Net gain/(loss) on revaluation	16,444,959	(12,104,202)
Market value at 31 December	<u>114,676,116</u>	<u>98,279,481</u>
Cash balances held with investment managers	175,793	69,509
	<u>114,851,909</u>	<u>98,348,990</u>
Historical cost at 31 December	<u>93,486,840</u>	<u>90,927,406</u>

The investments at the end of the year were held in realisable funds consisting of the following:

	2019 £	2018 £
Sarasin Alpha CIF for Endowments	22,494,060	19,404,369
Cazenove Charities Charity		
Multi Asset Fund	20,494,808	18,929,535
Charles Stanley Discretionary		
Portfolio	61,241,951	49,173,610
Charities Property Fund	10,621,090	10,841,476
	<u>114,851,909</u>	<u>98,348,990</u>

The split of the holdings at 31 December was:

	Total 2019 £	Total 2018 £
Fixed interest	3,867,038	3,813,926
UK Equities	52,191,617	41,430,394
Global Equities	36,816,027	33,070,568
Property	14,199,577	14,639,052
Alternative Assets	5,770,370	4,008,492
Cash & Near Cash	2,007,280	1,386,558
	<u>114,851,909</u>	<u>98,348,990</u>

The Charity's investment portfolio was subject to significant market volatility in the first five months of 2020 as a result of the COVID-19 pandemic. As at 31 May 2020 (or 31 March 2020 in the case of the Charities Property Fund, this being the most recent available valuation), investment funds were valued as follows:

	Total 2020 £
Sarasin Alpha CIF for Endowments	21,787,914
Cazenove Charities Charity Multi Asset Fund	19,445,162
Charles Stanley Discretionary Portfolio	49,875,986
Charities Property Fund	10,539,280
	<u>101,648,342</u>

The Sarasin portfolio is invested in the Alpha CIF for Endowments. This fund is diversified across the world's principal stock, bond and currency markets, together with investments in alternative assets such as property, commodities and hedge funds. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. The Cazenove portfolio is invested in the Charities Multi-Asset Fund (CMAF). The fund aims to preserve the real value of capital over the long term while allowing for sustainable expenditure of up to 4% per annum (a distribution of 1% per quarter). CMAF adopts a total return approach and utilises a range of asset classes, incorporating (on a strategic basis) UK and global equities, bonds and absolute return funds, as well as tactical focus on infrastructure and commodities. Units are valued using the bid price. In the Charles Stanley discretionary portfolio, investments in equities, unit trusts and fixed interest securities are all traded in quoted public markets. Holdings are valued at the closing mid-price. No single underlying investment was more than 5% of the total portfolio. The investments in the Charities Property Fund are valued using the net asset value price.

At 31 December, listed investments included the following individual holdings deemed material when compared with the overall investment portfolio (including cash held by investment managers):

	Value of holding 2019 £	Percentage of portfolio 2019 %	Value of holding 2018 £	Percentage of portfolio 2018 %
Sarasin Endowments Fund Class A Inc	22,252,601	19	19,145,797	19
SUTL Cazenove Charity Multi-Asset S Inc	20,494,796	18	18,929,535	19
Charities Property Fund	10,621,090	9	10,841,476	11

The significance of financial instruments to the ongoing financial sustainability of the Charity is considered in the financial review section of the Trustees' Annual Report. The main risk to the Charity from financial instruments in the future lies in the combination of uncertain investment markets and volatility in yield, which is mitigated through the Charity's Investment Policy.

Notes to the Financial Statements (cont.)

For the year ended 31 December 2019

13 Debtors

	Total 2019 £	Total 2018 £
Income tax recoverable	6,152	6,096
Cash held by investment managers	126,470	193,765
Prepayments & other debtors	19,618	18,942
	152,240	218,803

All prepayments relate to unrestricted funds in both 2019 and 2018.

14 Current liabilities

	Total 2019 £	Total 2018 £
Creditors: amounts falling due within one year		
Grant commitments	102,409	122,875
Accruals	105,937	76,196
	208,346	199,071

	2019 £	2018 £
Deferred grants:		
Balance brought forward	122,875	79,681
New grants committed to in year	379,288	278,568
Grants paid	(399,754)	(235,374)
	102,409	122,875

Deferred grants are grants that have been awarded but which are not payable until some future date. Most school fees grants and a number of other grants are paid by instalments and certain other grants are awarded for payment at a future date.

15 Operating lease commitments

As at 31 December, the Charity had total commitments under non-cancellable operating leases as set out below:

	2019 £	2018 £
Amounts due:		
Within one year	2,013	1,955
Within 2 - 5 years	6,933	2,499
	8,946	4,454

16 Statement of funds

The following were the Charity's funds during the year under review.

Unrestricted funds

General fund

The unrestricted general funds are applied by the Trustees in accordance with the objects of the Charity (see the Objectives, Activities and Public Benefit section of the Trustees' Report on page 4).

Designated investment funds

The designated investment funds represent the carrying value of the Charity's investments that are not held in restricted or endowment funds as at 31 December 2019. The investment fund has been ring-fenced to demonstrate that the assets are being held for the long-term to generate income to support the Charity's future activities in support of its beneficiaries. Additionally, the Trustees passed a resolution in December 2019 to designate a sum of £1 million for expenditure on Partnerships and Special Projects over the next 3-5 years.

Restricted funds

Clergy Orphan Corporation

The Clergy Orphan Corporation (COC) is restricted as its beneficiaries are limited to children of clergy of the Church of England and of the Church in Wales. The fund includes the investment assets held to generate the income required to fund the Charity's core activities insofar as they relate to beneficiaries covered by the above restriction.

Other restricted funds

These funds represent donations that are restricted by their terms as to their use.

Palmer Estate Fund

The Palmer Estate Fund was set up on the instructions of the Charity Commission and represented the setting aside from the income of the Charity of £13,000 in 1984 to provide against the notional loss of rent arising on the sale of 619-639 Holloway Road, London until 2063, when the agreed lease would have expired, at which time the assets will become unrestricted. At a meeting of the Court of Assistants held on 4 June 2019, the Court decided that this 'quasi-endowment' fund had outlived its initial restriction and passed a resolution to derestrict this fund and transfer the balance to unrestricted funds.

	Balance at 1 January 2019	Income	Expenditure	Other recognised gains and losses	Transfer of funds	Balance at 31 December 2019
	£	£	£	£	£	£
Unrestricted funds						
General	1,931,308	4,186,217	(4,194,380)	-	185,646	2,108,791
Designated						
- General	98,980,892	-	-	16,295,697	(758,664)	114,517,925
- Partnerships & Special Projects	-	-	-	-	1,000,000	1,000,000
- Specific	315,000	-	(130,008)	-	(184,992)	-
	<u>101,227,200</u>	<u>4,186,217</u>	<u>(4,324,388)</u>	<u>16,295,697</u>	<u>241,990</u>	<u>117,626,716</u>
Restricted funds						
COC - General	1,873,922	85,008	(18,756)	109,944	-	2,050,118
Other Restricted Funds	3,448	-	-	-	-	3,448
	<u>1,877,370</u>	<u>85,008</u>	<u>(18,756)</u>	<u>109,944</u>	<u>-</u>	<u>2,053,566</u>
Endowment funds						
Palmer Estate Fund	202,038	1,677	(1,043)	39,318	(241,990)	-
Total Funds	<u>103,306,608</u>	<u>4,272,902</u>	<u>(4,344,187)</u>	<u>16,444,959</u>	<u>-</u>	<u>119,680,282</u>

	Balance at 1 January 2019	Income	Expenditure	Other recognised gains and losses	Transfer of funds	Balance at 31 December 2019
	£	£	£	£	£	£
Unrestricted funds						
General	1,620,006	4,278,532	(3,967,230)	-	-	1,931,308
Designated						
- General	111,120,445	-	-	(12,139,553)	-	98,980,892
- Specific	-	315,000	-	-	-	315,000
	<u>112,740,451</u>	<u>4,593,532</u>	<u>(3,967,230)</u>	<u>(12,139,553)</u>	<u>-</u>	<u>101,227,200</u>
Restricted funds						
COC - General	1,854,509	83,945	(8,713)	(55,818)	-	1,873,922
Other Restricted Funds	18,376	3,271	(18,200)	-	-	3,448
	<u>1,872,885</u>	<u>87,216</u>	<u>(26,913)</u>	<u>(55,818)</u>	<u>-</u>	<u>1,877,370</u>
Endowment funds						
Palmer Estate Fund	210,285	1,566	(982)	(8,831)	-	202,038
Total Funds	<u>114,823,621</u>	<u>4,682,314</u>	<u>(3,995,125)</u>	<u>(12,204,202)</u>	<u>-</u>	<u>103,306,608</u>

Notes to the Financial Statements (cont.)

For the year ended 31 December 2019

17 Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2019 £
Tangible fixed assets	697,999	-	-	697,999
Investment properties	1,660,000	775,000	-	2,435,000
Investment funds	113,900,427	951,482	-	114,851,909
Net current assets	1,373,290	327,084	-	1,700,374
Provisions	(5,000)	-	-	(5,000)
	<u>117,626,716</u>	<u>2,053,566</u>	<u>-</u>	<u>119,680,282</u>

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2018 £
Tangible fixed assets	505,863	-	-	505,863
Investment properties	1,660,000	775,000	-	2,435,000
Investment funds	97,320,652	826,930	201,408	98,348,990
Net current assets	1,748,185	275,440	630	2,024,255
Provisions	(7,500)	-	-	(7,500)
	<u>101,227,200</u>	<u>1,877,370</u>	<u>202,038</u>	<u>103,306,608</u>

18 Pensions

The Charity has historically operated a pension scheme, the Corporation of the Sons of the Clergy Staff Retirement Benefit Scheme, which provided benefits based on final pensionable pay. The scheme is now closed to new members. In November 2018, as part of the process to initiate the wind-up of the scheme, all the annuities held by the scheme were assigned to the individual pensioners. In February 2019, a resolution was passed by the Trustees of the Charity, acting as the corporate trustee, to wind up the scheme. The wind-up deed was duly executed in October 2019, following Trustees' approval of the final audited accounts. A further provision of £5,000 (2018: £7,500) is included in the accounts to cover the residual costs associated with the winding up.

Reconciliation of movements in Provision:	£
Provision brought forward	7,500
Additions	3,263
Amounts charged against provision	(5,763)
	<u>5,000</u>
Provision carried forward	5,000

In addition, the Charity operates a defined contribution pension scheme in compliance with auto-enrolment. Contributions of £36,107 (2018: £34,675) were made in the year.

19 Related party transactions

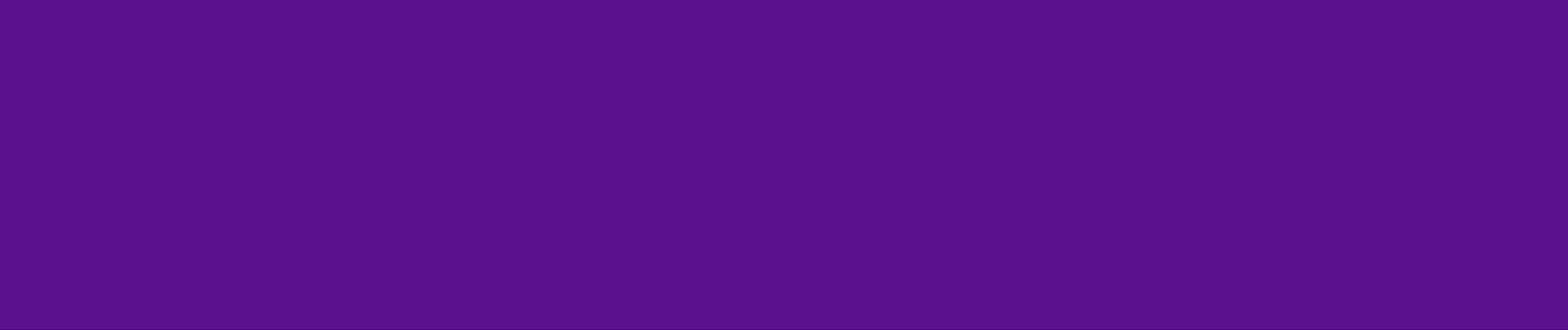
During the year seven Trustees made donations to the Charity totalling £1,195 (2018: four Trustees, £335).

20 Financial instruments

	2019 £	2018 £
Financial Assets		
Financial assets at amortised cost	1,328,074	2,209,848
Financial instruments at fair value	114,851,909	98,348,990

Financial Liabilities		
Financial liabilities at amortised cost	213,346	206,571

Financial assets measured at amortised cost comprise cash at bank and in hand, short-term cash deposits, trade debtors, other debtors and accrued income. Financial instruments at fair value comprise investment funds managed by external investment managers, valued at fair value at the balance sheet date. Further information is included in Note 12. Financial liabilities measured at amortised cost comprise accruals and other commitments.



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Get in touch.

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Patron:

Her Majesty The Queen

Honorary Presidents:

The Archbishop of Canterbury

The Archbishop of York

The Bishops of London and Worcester

The Lord Mayor of the City of London

Charity registered in England and
Wales charity number 207736