

THE SOCIETY OF THE FAITH (INCORPORATED)

Company Registered Number 00214216 (England & Wales)

Charity number 232821

ANNUAL REPORT FOR THE YEAR ENDED

31ST MARCH 2020

THE SOCIETY OF THE FAITH (INCORPORATED)

Registered Number 00214216 (England & Wales)
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Registered Number 00214216 (England & Wales)
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Legal and Administrative Information

Constitution

The Society of the Faith (Incorporated) is a company limited by guarantee and a registered charity governed by its memorandum and articles of association. Charity number 232821. Company number 00214216.

Directors and trustees

The directors of the charitable company ('the charity') are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

The trustees serving during the year and since the year end were as follows;

THE COURT OF FELLOWS

Dr. Andrew Hobley	(Principal)
The Rev. Canon Robert Gage	(Vice Principal)
Professor Andrew Chandler	
William Chapman Esq. CVO	
Dr. Julian Litten	
The Rev. William Davage	(retired 17 July 2019)
Mr. Peter Gaston	
The Rev. Barry Hall SSC	
Dr. Brian Hanson CBE	
The Ven Dr William Jacob	
The Rev. Canon Dr. Robert Reiss	
The Rev. Christopher Trundle	
The Rev. Stephen Tucker	
The Rev. Canon Dr. Philip Ursell	(retired 17 July 2019)
Mr. Martin Woods	

Members of the Court act in an honorary capacity.

Secretary and Treasurer

Mrs. Margery Roberts

Principal Office & Registered Office

Faith House, 7 Tufton Street, Westminster, London SW1P 3QB

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Legal and Administrative Information Continued

Accountants

Azets (Ashby) Limited, Unit N, Ivanhoe Business Park, Ivanhoe Park Way
Ashby de la Zouch, Leicestershire LE65 2AB

Bankers

Barclays Bank Plc., Westminster Abbey Business Centre, 2 Victoria Street, London SW1H 0ND

Central Board of Finance, Senator House, 85 Queen Victoria Street, London EC4V 4ET

Solicitors

Lee Bolton Monier-Williams, 1 The Sanctuary, London SW1P 3JT

THE SOCIETY OF THE FAITH (INCORPORATED)

Registered Number 00214216 (England & Wales)
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Report of the Court of Fellows (Directors) for the
year ended 31 March 2020

The Court of Fellows (trustee body) are pleased to present their report together with the financial statements of the charity for the year ended 31 March 2020 which are prepared to meet the requirements for accounts for Companies Act purposes.

The financial statements comply with current statutory requirements (The Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and 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 (FRS 102) (effective 1 January 2019) the Charities Commission's guidance contained in the *Statement of Recommended Practice (FRS 102)* .

1. Objectives and activities

The objects of the charity are to bring together Christians in communion with the See of Canterbury for mutual assistance in the work of the Christian church and to support and further charitable undertakings, particularly those which popularise the Catholic faith. To achieve these objects, the Society aims to carry out the following activities:

- let out functional accommodation to other charitable organisations with similar objects and to Watts & Co Ltd., a long-established firm supplying ecclesiastical furnishings and vestments;
- sponsor and produce new publications relating to the Anglican Church and the Christian faith, promote the revival of Faith Press publications and host occasional conferences and symposiums on aspects of the Christian faith and Anglo-Catholicism;
- conserve an archive, including Faith Craft drawings and Faith Press publications and makes these available to scholars;
- administer the Hoare Trust, which grant-aids the conservation and provision of ecclesiastical needlework;
- administer the Liddon Fund, holding the annual Liddon Lecture and awarding grants to young scholars for advanced theological study, and for retreats.
- make meeting space available in Faith House for other church and charitable organisations;
- make grants from its general fund in accordance with a donations policy.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities they should undertake.

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Report of the Court of Fellows (Directors) for the
year ended 31 March 2020

2. Structure, governance and management

A board of trustees (known as the Court of Fellows), of up to 14 members, administers the charity. Meetings are held at least four times during the year and individual trustees also play an active part in the day to day running of the charity. A Secretary and Treasurer, elected annually by the members of the Society, manage the day-to-day work of the charity in accordance with the trustees' policies and directions. At present, these roles are combined. The holder is a self-employed charity administrator and modest fees are paid to her in respect of the administration of the Society's business. Revisions to the Memorandum and Articles were approved at the 2017 Annual General Meeting and these came into force on 1 April 2018.

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

Dr. Andrew Hobley	(Principal)
The Rev. Canon Robert Gage	(Vice Principal)
Professor Andrew Chandler	
William Chapman Esq. CVO	
Dr. Julian Litten	
The Rev. William Davage	(retired 17 July 2019)
Mr. Peter Gaston	
The Rev. Barry Hall SSC	
Dr. Brian Hanson CBE	
The Ven Dr William Jacob	
The Rev. Canon Dr. Robert Reiss	
The Rev. Christopher Trundle	
The Rev. Stephen Tucker	
The Rev. Canon Dr. Philip Ursell	(retired 17 July 2019)
Mr. Martin Woods	

Members of the Court act in an honorary capacity.

Secretary and treasurer:
Mrs. Margery Roberts

The principal and registered office of the Society is Faith House, 7 Tufton Street, London, SW1P 3QB

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Report of the Court of Fellows (Directors) for the year ended 31 March 2020

2. Structure, governance and management - continued

Governing document

The Society of the Faith is a company limited by guarantee by its Memorandum and Articles of Association dated 7 June 1926, amended 1 April 2018. It is registered as a charity with the Charity Commission. Applications for membership of the Society of the Faith, in the form required by the Articles, are submitted to the Court of Fellows for approval. When an application is approved, the applicant will be admitted to membership of the Society upon payment of the subscription. The Court of Fellows may elect new members of the Society, upon election the Secretary shall submit an application for approval at the next meeting of the Court of Fellows, there are currently 13 trustees (14 in 2019). None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute (not exceeding) £10 in the event of a winding up.

Appointment of trustees

The trustee body is designated the Court of Fellows. Trustees and officers are elected by the members of the Society of the Faith at Annual General Meetings in accordance with the procedures set out in the Articles. No person who is not already a member of the Society may stand for election as a trustee. Vacancies occurring in the trustee body between Annual General Meetings may be filled by the trustees in accordance with the Articles. There are currently 13 trustees. No trustee has any beneficial interest in the company. In the event of winding up, all trustees guarantee to contribute a sum not exceeding £10 each.

3. Investment powers and policy

Under the Memorandum and Articles and relevant legislation, the charity has the power to make any investment which the trustees see fit.

4. Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

The Trustees consider that the public benefits from the Society from the following:

- the award of grants for education (especially young postgraduate Theology students), religious activities and the restoration of church needlework where there is an identified need;
- the nurturing of interest in, and providing information on, and education in, the Christian faith, the Catholic Movement in the Church of England and church furnishings through publications, lectures and conferences;
- the provision of affordable accommodation in a central location, through leases, tenancies and meeting room provision, for a wide variety of charitable and community groups which themselves provide public benefit.

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Report of the Court of Fellows (Directors) for the
year ended 31 March 2020

5. Achievements and performance

The trustees met four times during the year, in June, July, November and February, with excellent attendance at all meetings. All meetings provide for declarations of potential conflicts of interest to be declared and a register of trustees' interests is maintained.

At the Annual General Meeting on 17 July 2019, elections were held in accordance with the revised Articles. Dr Andrew Hobley was elected to the role of Principal for three years. The elections to the Court of Fellows left one vacancy. Dr Julian Litten was welcomed back as a trustee. The AGM recorded its thanks to two retiring trustees, the Revd William Davage and the Revd Canon Dr Philip Ursell. Dr Hobley spoke about his first year as Principal and thanked colleagues for their help and advice. He said that, although there had been no disasters, the maintenance and improvement of Faith House continued to present challenges. In the past year, these had included the installation of a new drainage system. He thanked Canon Robert Gage and the other members of the Publications Committee for their continued work on the papers delivered at the 2017 Symposium on 'Catholicity'. He also looked to the future and said that he would welcome suggestions about how the Society might pursue its objects imaginatively and eirenically.

The Principal's comments led to a discussion paper being drawn up by the Revd Stephen Tucker, entitled 'The Way Forward'. This was circulated to the trustees for comment in advance of the February 2020 meeting and a full discussion was held at that meeting. The trustees will now take the consultation forward by concentrating on specific areas of the Society's mission.

The Liddon Lecture was delivered in May 2019, the lecturer being the Revd Canon Peter Groves and the subject, the relationship between the poet, Gerard Manley Hopkins and Canon Henry Parry Liddon. Those who attended the lecture enjoyed it immensely.

Grants from the Liddon Fund were as follows: £3,500 to a former beneficiary, pursuing doctoral studies at Cambridge on the study of theological approach to eating disorders in dialogue with St Augustine of Hippo; and £2,500 to a doctoral student at Cambridge researching the writings of St Basil the Great and St Gregory of Nyassa.

A donation of £300 was made to the Dean and Chapter of Westminster.

The Douglas Room was used on 34 occasions during the year by other charities and church organisations which promoted the Society's objects and by lessees.

Canon Robert Gage continued to chair the Publications Committee, the other members being Professor Andrew Chandler, Dr Brian Hanson CBE, Dr Robert Reiss, the Revd Stephen Tucker and the Secretary. The major task being undertaken by the Committee, and especially by Canon Gage, was the editing and publication of the papers from the Catholicity symposium held in November 2017. Dr Peter Webster, an historian and expert on online publication, was engaged to assist with the publication, which was achieved in February 2020 by means of a dedicated website.

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Report of the Court of Fellows (Directors) for the year ended 31 March 2020

5. Achievements and performance - continued

The Society's website continued to be managed and kept up to date by Dr Andrew Hobley, with enquiries, which especially concerned items made by Faith Craft and books published by Faith Press, being dealt with largely by the Secretary. As the Society's work in this area expands, it is hoped that a trustee with appropriate skills might be identified to take on some of this work.

6. Risk management

The trustees aim to maintain Faith House in structurally good order, to keep risk to a minimum, both financially and within the structure and occupation of Faith House, to encourage good relationships with the tenants, occupants and users of the building and to promote the charitable activities arising from the charity's objects. Faith House is well used both to raise income and as functional property. In order to limit financial risk, funds are invested in the well-respected Central Board of Finance (CBF) funds managed by CCLA. The building is insured by the Ecclesiastical Insurance Office, a long established provider of insurance for churches and charities. Financial controls are maintained and no single individual has financial or managerial control.

The trustees, recognising the importance of actively managing risk within Faith House, maintain and keep updated a health and safety file containing risk assessments and policies. Contracts are maintained for the servicing of fire alarms, fire extinguishers and the heating boiler. The Secretary is a trained fire marshal and all tenants are actively encouraged to keep their own procedures for emergency evacuation up to date. Fire drills are held at intervals. A risk register, together with a schedule for regular reviewing of all assessments and policies, ensures that potential risks are constantly kept in mind.

Following an inspections carried out by the Society's architect, Mr Michael Poteliakhoff, in 2013, a continuous programme of repairs and maintenance has taken place. Small maintenance items are carried out routinely. A new drainage system, including non-return valves, was installed during 2019, mitigating the risk of flooding to the basement. In 2019-2020, major works were carried out to the roof and facade of the buildings at a cost of around £30,000.

The Society depends for most of its income on the leases and tenancies in Faith House. These are kept under review and legal advice is regularly obtained. The current tenants, consisting mainly of church charities and Watts and Company Ltd, reflect the Society's own charitable objects very closely. The trustees consider it to be important for Faith House to be used and occupied in a way that both promotes their objects and serves the Church and community generally. Open Europe's lease expired in July 2019 and an appropriate tenant has now been identified for the vacant office.

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Report of the Court of Fellows (Directors) for the year ended 31 March 2020

7. Reserves policy and total reserves

The trustees recognise the importance of maintaining a reserves policy in line with guidance from the Charity Commission. At present, the cost of running and maintaining the building and meeting business rates (with charitable rating relief) is around £50,000 per annum, not including improvement work or major repairs, and further funds are required to cover the costs of administration, including fees paid the the Secretary/Treasurer, and to cover periods when parts of the building may be untenanted. Although a proportion of the running costs are recoverable from tenants on a pro rata basis, the trustees consider it prudent to retain at least a year's costs in reserve in order to meet routine commitments and the additional responsibility of maintaining and upgrading an historic listed building. The trustees hope at some stage to replace the current boiler with a more energy-efficient one. The Society does not have permanent endowment and relies on receiving income from invested funds as well as from rents. Bearing all these matters in mind, the trustees consider that around £100,000 should be kept easily accessible on deposit with the CBF for the time being, both to cover immediate needs and other commitments for a year, provide for emergencies and repairs and to produce an income. The current policy is to place all other unrestricted funds in the CBF Investment Fund. The position is kept under constant review and was last reviewed in February 2019. Funds held in the two restricted funds are not available for general use.

8. Data protection

The trustees are not aware of any non-compliance of the Data Protection Act 2018, which incorporates the General Data Protection Regulation, which came into force in May 2018. They maintain a personal data protection policy and policy statement.

9. Covid-19/Coronavirus

During the early part of 2020, it became evident that a new form of the coronavirus, named as Covid-19, was spreading globally and threatening health and welfare on a massive scale. The World Health Organisation declared it to be a pandemic and governments across the world took steps to limit personal freedom in an effort to slow the spread of the disease. In the United Kindom, in late March, the government introduced 'social distancing' and other restrictions, which resulted in the closure of most offices and business premies. The Society of the Faith, like other charitable organisations, had to reschedule events and meetings. In particular, the holding of the Annual General Meeting in July was deemed to be impracticable and, following the virtual meeting held by the Court of Fellows held on 10th June 2020 it was agreed that the AGM be cancelled this year and held as normal in 2021 which corresponds to the charity's Articles and the current guidance from the Charity Commission.

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Report of the Court of Fellows (Directors) for the
year ended 31 March 2020

10. Trustees' responsibilities in relation to the financial statements

Company law requires the trustees to prepare financial statements that give a true and fair view of the state of affairs of the charity at the end of the financial year and of its surplus or deficit for the financial year. In doing so, the trustees are required to:

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

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enables them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

10. Independent Examiners

At the Annual General Meeting in 2019, Azets (Ashby) Ltd formerly Baldwins (Ashby) Ltd were appointed as independent examiners to the charity for the ensuing year.

By order of the Court of Fellows:

Dr. Andrew Hobleby - Principal
6 November 2020

THE SOCIETY OF THE FAITH (INCORPORATED)

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Independent Examiner's Report to the Trustees of
The Society of the Faith (Incorporated)
year ended 31 March 2020

I report to the charity trustees on my examination of the accounts for the year ended 31st March 2020 set out on pages 12 to 27.

Responsibilities and basis of report

As the charity trustees of the company (and also its directors for the purpose of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities.

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Independent Examiner's Report to the Trustees of
The Society of the Faith (Incorporated)
year ended 31 March 2020

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Lisa Emery

FCCA

Unit N
Ivanhoe Business Park
Ivanhoe Park Way
Ashby de la Zouch
Leicestershire
LE65 2AB

Date: 6 November 2020

THE SOCIETY OF THE FAITH (INCORPORATED)

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STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31ST MARCH 2020

	<u>Notes</u>	<u>Unrestricted</u> <u>Funds</u>	<u>Restricted</u> <u>Funds</u>	<u>Total</u> <u>Funds</u>	<u>Total</u> <u>Funds</u>
		£	£	£	£
				<u>2020</u>	<u>2019</u>
Incoming resources					
Activities for generating funds;					
Recharges to Tenants	5	31,996	-	31,996	36,520
Income from Publications/Greeting Cards	5	147	-	147	164
Donations	5	521	-	521	744
Investment Income	5	131,389	5,659	137,048	144,221
Other Income	5	-	-	-	-
Total incoming resources		<u>164,053</u>	<u>5,659</u>	<u>169,712</u>	<u>181,649</u>
Less Cost of generating funds;					
Faith House Expenditure	6	132,138	-	132,138	69,720
Charitable Expenditure;					
Grants Payable	7	1,840	6,000	7,840	5,680
Other Charitable activities	8	25,238	981	26,219	25,681
Total resources expended		<u>159,216</u>	<u>6,981</u>	<u>166,197</u>	<u>101,081</u>
NET INCOMING RESOURCES		4,837	(1,322)	3,515	80,568
Realised and unrealised investment gains / (losses)	9	<u>(19,525)</u>	<u>(2,912)</u>	<u>(22,437)</u>	<u>94,933</u>
Movement in total funds for the year; net income/expenditure for the year	10	(14,688)	(4,234)	(18,922)	175,501
Total funds brought forward		<u>1,245,394</u>	<u>181,046</u>	<u>1,426,440</u>	<u>1,250,939</u>
Total funds carried forward	18	<u>1,230,706</u>	<u>176,812</u>	<u>1,407,518</u>	<u>1,426,440</u>

All incoming resources and resources expended derive from continuing activities.

The Statement of Financial Activities includes all gains and losses recognised in the year.

THE SOCIETY OF THE FAITH (INCORPORATED)

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BALANCE SHEET
AT 31ST MARCH 2020

	<u>Notes</u>	<u>2020</u> £	<u>2019</u> £
<u>FIXED ASSETS</u>			
Tangible	12	35,000	35,000
Investments	13	1,229,521	1,221,959
<u>CURRENT ASSETS</u>			
Cash at Bank	14	161,863	193,074
Debtors	15	<u>5,624</u>	<u>5,528</u>
		167,487	198,602
Creditors; Amounts falling due within one year	16	<u>(24,490)</u>	<u>(29,121)</u>
<u>NET CURRENT ASSETS</u>		<u>142,997</u>	<u>169,481</u>
		<u>1,407,518</u>	<u>1,426,440</u>
<u>FINANCED BY:</u>			
Unrestricted Funds		1,230,706	1,245,394
Restricted Funds		<u>176,812</u>	<u>181,046</u>
<u>TOTAL CHARITY FUNDS</u>		<u>1,407,518</u>	<u>1,426,440</u>

THE SOCIETY OF THE FAITH (INCORPORATED)

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BALANCE SHEET – CONTINUED
AT 31ST MARCH 2020

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st March 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31st March 2020 in accordance with Section 476 of the Companies Act 2006.

The Court of Fellows acknowledge its responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006, and,
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard 102.

The financial statements were approved by the Court of Fellows on 6 November 2020 and were signed on its behalf by:

..... Dr. Andrew Hobley (Principal)

..... Margery Roberts (Treasurer)

THE SOCIETY OF THE FAITH (INCORPORATED)

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NOTES RELATING TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2020

1. Accounting Policies

Charity information

The Society of the Faith (Incorporated) is a private company limited by guarantee incorporated in England and Wales. The registered office address is Faith House, 7 Tufton Street, London, SW1P 3QB. The nature of the charity's operations and principle activities are to bring together Christians in communion with the See of Canterbury for mutual assistance in the work of the Christian church and to support and further charitable undertakings, particularly those which popularise the Catholic faith.

1.1 Accounting convention

These accounts have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Companies Act 2006 and UK Generally Accepted Accounting Policies as it applies from 1 January 2019. The Society is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, and to include certain financial instruments at fair value. The principle accounting policies adopted are set out below.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities. Assets and liabilities are initially recognised at historic cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

a) Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

Restatement of the value of the property and investments to comply with SORP and FRS102.

1.2 Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

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NOTES RELATING TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2020

1. Accounting Policies - continued

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

1.4 Incoming resources

a) Rental of Faith House

Income from rental is included in the period in which the charity is entitled to the receipt.

b) Donations

Income from donations is included in incoming resources when these are receivable, except as follows;

When donors specify that donations given to the charity must be used in future accounting periods, the income is deferred until those periods.

When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the pre-conditions for use have been met.

When donors specify that donations are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

c) Investment Income

Rent, interest and dividends are included when receivable by the charity.

1.5 Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered.

Certain expenditure is directly attributable to specific activities and has been included in those cost categories.

1.6 Fund accounting

Funds held by the charity are either;

Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

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NOTES RELATING TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2020

1. Accounting Policies - continued

1.6 Fund accounting - continued

Restricted funds - these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

1.7 Tangible fixed assets

Individual fixed assets are capitalised at cost and are depreciated over their estimated useful economic lives on a basis as follows

Long leasehold buildings - 0%

1.8 Investments

Listed investments held as fixed assets are revalued annually by CCLA Investment Management Limited at the market value, and the gain or loss on revaluation taken to the Statement of Financial Activities.

1.9 Repairs and renewals

All expenditure on the Faith House building is written off in the year as repairs and maintenance.

1.10 Governance Costs

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulations and good practice. This cost is now showing on the Statement of Financial Activities within Other Charitable activities.

1.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

a) Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financial transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

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NOTES RELATING TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2020

1. Accounting Policies - continued

1.11 Cash and cash equivalents - continued

b) Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

c) Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

2. Critical accounting estimates and judgements

in the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revisions affects both current and future periods.

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NOTES RELATING TO THE FINANCIAL STATEMENTS
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3. Legal status of the charity

The charity is a company limited by guarantee and has no share capital. Every member of the trustees undertakes to contribute to the assets of the charity, in the event of the same being wound up during the time that he is a member, or within one year afterwards, for payment of the debts and liabilities of the charity contracted before the time at which he ceases to be a member, and of the costs, charges and expenses of winding up the same, and for the adjustment of the rights of the contributories amongst themselves, such amount as may be required not exceeding £10.

4. Going concern

The accounts have been prepared on a going concern basis, the trustees are not aware of any existence of any material uncertainties.

5. COVID-19

Since the year end, the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, entities are being forced to cease or limit operations for long or indefinite periods of time, the Charity has been fortunate enough to be able to continue to rent its premises to existing tenants.

The Charity has determined that these events are non-adjusting subsequent events. Accordingly, the financial position and results of operations as of and for the year ended 31 March 2020 have not been adjusted to reflect their impact. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of the government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Charity for future periods.

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NOTES RELATING TO THE FINANCIAL STATEMENTS Continued
FOR THE YEAR ENDED 31ST MARCH 2020

	<u>2020</u>	<u>2019</u>
	£	£
5. Incoming resources		
<u>Recharges to Tenants of Faith House</u>		
Service charge	<u>31,996</u>	<u>36,520</u>
<u>Income from Publications/Greeting Cards</u>	<u>147</u>	<u>164</u>
<u>Donations</u>		
Gift Aid	-	206
Donations received	18	5
Subscriptions	<u>503</u>	<u>533</u>
	<u>521</u>	<u>744</u>
<u>Investment Income</u>		
<u>Unrestricted Funds</u>		
Bank interest	722	685
Investment income	34,606	31,328
Rental of Faith House	95,406	105,070
Use of Douglas Room	<u>655</u>	<u>1,650</u>
	<u>131,389</u>	<u>138,733</u>
<u>Restricted Funds</u>		
Bank interest;		
Hoare Trust	18	20
Liddon Fund	70	59
Investment income;		
Hoare Trust	423	411
Liddon Fund	<u>5,148</u>	<u>4,998</u>
	<u>5,659</u>	<u>5,488</u>
6. Faith House expenditure		
General rates	19,703	19,289
Water charges	-	1,370
Electricity and gas	3,919	3,666
Insurance	5,678	5,453
Repairs and building maintenance	83,293	19,179
Cleaning and washroom costs	14,145	15,363
Deed of variation rent	<u>5,400</u>	<u>5,400</u>
	<u>132,138</u>	<u>69,720</u>

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FOR THE YEAR ENDED 31ST MARCH 2020

	<u>2020</u>	<u>2019</u>
	£	£
7. Grants Payable		
<u>Unrestricted Funds</u>		
Publication Sponsorship	1,840	-
	<hr/>	<hr/>
<u>Restricted Funds</u>		
Educational Grants – Liddon Fund	6,000	3,680
Needlework Grants – Hoare Trust	-	2,000
	<hr/>	<hr/>
	6,000	5,680
	<hr/>	<hr/>
8. Other Charitable Activities		
<u>Unrestricted Funds</u>		
Donation to Dean and Chapter of Westminster Abbey	300	300
	<hr/>	<hr/>
	300	300
	<hr/>	<hr/>
<u>Restricted Funds</u>		
Lecture Expenses – Liddon Fund	182	335
	<hr/>	<hr/>
	182	335
	<hr/>	<hr/>
Governance Costs		
<u>Unrestricted Funds</u>		
Travelling	3,470	3,324
General Secretarial expenses	1,022	1,334
Annual Return fee	13	13
Legal & professional fees	7,157	7,445
Secretary and Treasurer's Honorarium	10,750	10,000
Accountancy Fees	2,334	2,190
Bank Charges	192	35
	<hr/>	<hr/>
	24,938	24,341
	<hr/>	<hr/>
<u>Restricted Funds</u>		
Secretary and Treasurer's Honorarium – Liddon Fund	600	600
General Secretarial expenses	199	105
	<hr/>	<hr/>
	799	705
	<hr/>	<hr/>
Unrestricted Fund totals	<hr/>	<hr/>
	25,238	24,641
	<hr/>	<hr/>
Restricted Fund totals	<hr/>	<hr/>
	981	1,040
	<hr/>	<hr/>

THE SOCIETY OF THE FAITH (INCORPORATED)

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NOTES RELATING TO THE FINANCIAL STATEMENTS Continued
FOR THE YEAR ENDED 31ST MARCH 2020

	<u>2020</u>	<u>2019</u>
	£	£
9. Realised and unrealised investment gains / (losses)		
<u>Unrestricted Funds</u>		
Gain / (Loss) on revaluation of investment	<u>(19,525)</u>	<u>81,110</u>
	<u>(19,525)</u>	<u>81,110</u>
<u>Restricted Funds</u>		
Gain / (Loss) on revaluation of investment		
Hoare Trust	(221)	1,050
Liddon Fund	<u>(2,691)</u>	<u>12,773</u>
	<u>(2,912)</u>	<u>13,823</u>
10. Net income for the year		
The surplus/(deficit) on ordinary activities is stated after crediting the following;		
Operating Lease – Faith House	<u>128,057</u>	<u>143,240</u>
11. Taxation		

The Society of the Faith (Incorporated) is a registered charity, and as such is exempted from taxation.

THE SOCIETY OF THE FAITH (INCORPORATED)

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NOTES RELATING TO THE FINANCIAL STATEMENTS Continued
FOR THE YEAR ENDED 31ST MARCH 2020

12.	Tangible fixed assets	Long Leasehold Land and Buildings £	Total £
	Cost as at 1 April 2019 and at 31 March 2020	35,000	35,000
	Depreciation as at 1 April 2019 and at 31 March 2020	-	-
	Net book value As at 31 March 2019 and at 31 March 2020	35,000	35,000

13.	Investments	Cost at 31.03.19 £	Additions/ (Disposals)	Cost at 31.03.20 £	Gross Income £	Market Value at 31.03.20 £	Market Value at 31.03.19 £
	<u>Unrestricted Funds</u>						
	C.B.F Investment Fund 62896.46 shares	745,291	30,000	775,291	34,606	1,062,987	1,052,513
	<u>Restricted Funds</u>						
	Hoare Trust						
	C.B.F Investment Fund 748.53 shares	6,494	-	6,494	423	12,651	12,872
	Liddon Fund						
	C.B.F Investment Fund 9105.17 shares	91,410	-	91,410	5,148	153,883	156,574
		843,195	-	873,195	40,177	1,229,521	1,221,959

Under the Statement of Recommended Practice all investments have to be valued at their market value at the year end.

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FOR THE YEAR ENDED 31ST MARCH 2020

	<u>2020</u>	<u>2019</u>
	£	£
14. Cash at Bank		
<u>Unrestricted Funds</u>		
Current Account	62,434	104,597
C.B.F. Deposit Account	89,151	76,277
	<u>151,585</u>	<u>180,874</u>
<u>Restricted Funds</u>		
Hoare Trust	2,718	2,277
Liddon Fund	7,560	9,923
	<u>10,278</u>	<u>12,200</u>
	<u>161,863</u>	<u>193,074</u>
15. Debtors		
<u>Unrestricted Funds</u>		
Prepayments and Accrued Income	5,624	4,928
Other debtors	-	600
	<u>5,624</u>	<u>5,528</u>
16. Creditors		
Amounts falling due within one year		
<u>Unrestricted Funds</u>		
Other Creditors	24,490	28,521
<u>Restricted Funds</u>		
Other Creditors – Liddon Fund	-	600
	<u>24,490</u>	<u>29,121</u>
17. Related party transactions		

There were no contracts of significance, subsisting during or at the end of the year in which a member of the Court of Fellows is or was materially interested, except as stated below.

Travelling expenses amounting to £2,510 (2019 : £2,450) were reimbursed to 9 (2019: 12) Trustees.

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NOTES RELATING TO THE FINANCIAL STATEMENTS Continued
FOR THE YEAR ENDED 31ST MARCH 2020

18. Analysis of charitable funds

Analysis of movements in funds

	Balance 1 April 2019	Income	Expenditure	Investment gain/(loss)	Funds 31 March 2020
	£	£	£	£	£
Unrestricted fund	1,245,394	164,053	159,216	(19,525)	1,230,706
Hoare fund	15,149	441	-	(221)	15,369
Liddon Fund	165,897	5,218	6,981	(2,691)	161,443
	<u>181,046</u>	<u>5,659</u>	<u>6,981</u>	<u>(2,912)</u>	<u>176,812</u>

Analysis of movements in funds

	Balance 1 April 2018	Income	Expenditure	Investment gain/(loss)	Funds 31 March 2019
	£	£	£	£	£
Unrestricted fund	1,082,484	176,161	94,361	81,110	1,245,394
Hoare fund	15,668	431	2,000	1,050	15,149
Liddon Fund	152,787	5,057	4,720	12,773	165,897
	<u>168,455</u>	<u>5,488</u>	<u>6,720</u>	<u>13,823</u>	<u>181,046</u>

Unrestricted fund is held for the objectives of the charity.

Funds held in the two restricted funds are not available for general use. The funds use are as follows;

Hoare Trust, which grant-aids the conservation and provision of ecclesiastical needlework;

Liddon Fund, holding the annual Liddon Lecture and awarding grants to young scholars for advanced theological study, and for retreats.

The unrestricted fund as at 1 April 2015 has been reinstated to reflect the presentation of tangible fixed assets to comply with SORP and FRS 102. The value of the property known as 'Faith House' is now included as a tangible fixed asset of £35,000 (2019 £35,000). The requirement of obtaining an annual valuation has made it cost prohibitive to record the asset as an investment at fair value.

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ACCOUNT OF FUNDS HELD IN TRUST

HOARE TRUST

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31ST MARCH 2020

	<u>Notes</u>	<u>2020</u>	<u>2019</u>
<u>INCOME</u>		£	£
Investment Income	5	423	411
Bank Interest	5	18	20
Gain on revaluation of investment assets	9	-	1,050
		<u>441</u>	<u>1,481</u>
<u>EXPENDITURE</u>			
Charitable Expenditure			
Grants Payable	7	-	2,000
Loss on revaluation of investment assets	9	221	-
		<u>220</u>	<u>(519)</u>
(Deficit)/Surplus for Year			

BALANCE SHEET
AT 31ST MARCH 2020

<u>FIXED ASSETS</u>			
Investments	13	12,651	12,872
<u>CURRENT ASSETS</u>			
Cash at Bank	14	2,718	2,277
		<u>15,369</u>	<u>15,149</u>
<u>REPRESENTED BY:</u>			
Accumulated Fund Brought Forward		15,149	15,668
Add; Surplus for Year		220	(519)
		<u>15,369</u>	<u>15,149</u>

THE SOCIETY OF THE FAITH (INCORPORATED)

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ACCOUNT OF FUNDS HELD IN TRUST

LIDDON FUND

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31ST MARCH 2020

	<u>Notes</u>	<u>2020</u>		<u>2019</u>	
<u>INCOME</u>		£	£	£	£
Investment Income	5		5,148		4,998
Bank Interest	5		70		59
Gain on revaluation of investment assets	9		-		12,773
			<u>5,218</u>		<u>17,830</u>
<u>EXPENDITURE</u>					
Charitable Expenditure					
Grants Payable	7	6,000		3,680	
Other Charitable Activities	8	981		1,040	
Loss on revaluation of investment assets	9	<u>2,691</u>	9,672	<u>-</u>	4,720
Surplus / (Deficit) for Year			<u>(4,454)</u>		<u>13,110</u>

BALANCE SHEET
AT 31ST MARCH 2020

<u>FIXED ASSETS</u>					
Investments	13		153,883		156,574
<u>CURRENT ASSETS</u>					
Cash at Bank	14	7,560		9,923	
<u>CURRENT LIABILITIES</u>					
Creditors: Amounts falling due within one year	16	<u>-</u>		<u>600</u>	
<u>NET CURRENT ASSETS</u>			<u>7,560</u>		<u>9,323</u>
			<u>161,443</u>		<u>165,897</u>
<u>REPRESENTED BY:</u>					
Accumulated Fund Brought Forward			165,897		152,787
Add; Surplus/ (Deficit) for Year			<u>(4,454)</u>		<u>13,110</u>
			<u>161,443</u>		<u>165,897</u>