

Secular Clergy New Common Fund

Audited Financial Statements

For The Year Ended 31 December 2017

Charity Registration No. 217776

Vincent Clemas CAAS Limited
Chartered Accountants & Statutory Auditors

SECULAR CLERGY NEW COMMON FUND

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FOR THE YEAR ENDED 31 DECEMBER 2017

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SECULAR CLERGY NEW COMMON FUND

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 DECEMBER 2017**

The trustees present their report with the financial statements of the charity for the year ended 31 December 2017. The trustees have adopted the provisions of 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 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The object of the Charity is to make discretionary payments to those priests within the dioceses of Arundel and Brighton, Brentwood, Portsmouth, Southwark and Westminster who are members of the Charity and who are permanently or temporarily incapacitated, by old age, infirmity or illness from the performance of their clerical duties. Grants are moderated to ensure no material depletion of the Fund.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

During the year all applications for grant were considered carefully and allowances were paid to 118 persons, compared to 114 in 2016.

FINANCIAL REVIEW

Financial position

The expenditure exceeded income by £38,684 compared to £25,071 in 2016. Details are shown on page 6. When this is combined with a net increase in market value of investments of £96,497 (£146,661 in 2016) the overall increase in the Fund was £57,813 (increase of £121,590 in 2016). The total unrestricted fund was £1,345,498 (£1,287,685 in 2016).

The principal funding source is investment income, but the fund also receives Annual Donations, Legacies and Gift Aid.

Investment policy and objectives

The Trustees regularly review and consider the investment policy which formulates how the assets of the Trust are managed. Investment activities have been delegated to Barclays Wealth and Investment Management. The investment policy review considers the performance of the asset management to ensure that the investment and asset management functions will be exercised in the best interests of the Trust.

The Trustees intend that the real value of the assets be maintained and enhanced over the long term by investment in a portfolio comprising of equities, fixed income stocks and cash. The Trustees have instructed Barclays Wealth and Investment Management to adopt an ethical policy. No investments are to be made in companies which are predominately involved in the production of armaments, tobacco and contraceptives.

In this regard, Barclays Wealth and Investment Management have been appointed to manage a diversified portfolio of suitable investments on a discretionary basis, and with the Trustees having selected a balanced investment objective with medium risk, Barclays Wealth and Investment Management provide guidance on the on-going suitability of each element of the investments invested in equities, fixed income stocks and cash.

The Trustees regularly consider the need to revise the Policy Statement and the arrangements under which Barclays Wealth and Investment Management Limited act as agents of the Trustees.

The policy of the Trustees is to maintain, where possible, the capital value of the fund and to utilise the annual investment income to pay grants to beneficiaries.

Reserves policy

The Trustees operate a policy of holding sufficient cash reserves to meet the outgoings of the next 12 months.

FUTURE PLANS

The Trustees propose prudent management to match the objectives of the Fund.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes an unincorporated charity.

SECULAR CLERGY NEW COMMON FUND

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 DECEMBER 2017**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Induction and training of new trustees

Trustees are appointed by the Members voting in General Meeting and hold office for three years. Trustees may be re-elected for further terms. Trustees must be members of the Fund and in consequence trustees are drawn from a body representing a diversity of age, experience and ethnic origin. On appointment trustees are invited to all meetings, provided with the rules and given access to the Fund's records. Trustees may not be Vicars-General or Honorary members. The administrators meet quarterly and take all policy decisions. The administrators have identified any major risks and established systems of review and mitigation.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

217776

Principal address

St Mary's
5 Cresswell Park
Blackheath
London
SE3 9RD

Trustees

Rev K Hale
Rt Rev Mgr Canon N J Rothon
Rev J Cook
Mgr S O'Boyle
Canon M O'Dea
Rev J Martin

Auditors

Vincent Clemas CAAS Limited
Chartered Accountants & Statutory Auditors
Cornerways House
School Lane
Ringwood
Hampshire
BH24 1LG

Bankers

CAF Bank Limited
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

Investment Managers

Barclays Wealth and Investment Management
1 Churchill Place
London
E14 5HP

SECULAR CLERGY NEW COMMON FUND

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2017

STATEMENT OF TRUSTEES RESPONSIBILITIES

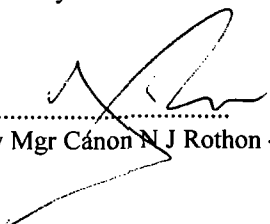
The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees 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 incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 20 Aug 2018 and signed on its behalf by:


.....
Rt Rev Mgr Canon N J Rotheron - Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
SECULAR CLERGY NEW COMMON FUND**

Opinion

We have audited the financial statements of Secular Clergy New Common Fund (the 'charity') for the year ended 31 December 2017 which comprise the Statement of Financial Activities, the Statement of Financial Position and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the charity's trustees, as a body, in accordance with Section 145 of the Charities Act 2011 and 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 auditors' 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.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2017 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'; 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 Auditors 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, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and 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, 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 where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
SECULAR CLERGY NEW COMMON FUND

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities, the trustees are responsible for the preparation of the financial statements which 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 trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors 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 Report of the Independent Auditors.



Zara Dunster ACA (Senior Statutory Auditor)
Vincent Clemas CAAS Limited
Chartered Accountants & Statutory Auditors
Cornerways House
School Lane
Ringwood
Hampshire
BH24 1LG

Date: 24/08/2018

SECULAR CLERGY NEW COMMON FUND

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2017

		Unrestricted fund	Restricted fund	2017 Total funds	2016 Total funds
	Not es	£	£	£	£
INCOME AND ENDOWMENTS FROM					
Donations and legacies		7,440	-	7,440	13,733
Investment income	2	<u>44,669</u>	<u>-</u>	<u>44,669</u>	<u>46,812</u>
Total		52,109	-	52,109	60,545
 EXPENDITURE ON					
Raising funds	3	3,897	-	3,897	3,371
Charitable activities					
Allowance to Members		<u>86,896</u>	<u>-</u>	<u>86,896</u>	<u>82,245</u>
Total		90,793	-	90,793	85,616
Net gains/(losses) on investments		<u>96,497</u>	<u>-</u>	<u>96,497</u>	<u>146,661</u>
NET INCOME		57,813	-	57,813	121,590
 RECONCILIATION OF FUNDS					
Total funds brought forward		1,287,685	-	1,287,685	1,166,095
TOTAL FUNDS CARRIED FORWARD		<u>1,345,498</u>	<u>-</u>	<u>1,345,498</u>	<u>1,287,685</u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

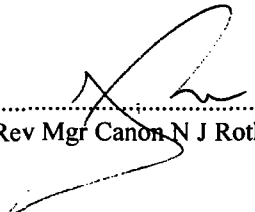
The notes form part of these financial statements

SECULAR CLERGY NEW COMMON FUND

STATEMENT OF FINANCIAL POSITION
AT 31 DECEMBER 2017

		Unrestricted fund	Restricted fund	2017 Total funds	2016 Total funds
	Notes	£	£	£	£
FIXED ASSETS					
Investments	5	1,322,889	-	1,322,889	1,264,326
CURRENT ASSETS					
Debtors	6	8,487	-	8,487	7,729
Cash at bank		<u>17,952</u>	<u>-</u>	<u>17,952</u>	<u>19,565</u>
		26,439	-	26,439	27,294
CREDITORS					
Amounts falling due within one year	7	<u>(3,830)</u>	<u>-</u>	<u>(3,830)</u>	<u>(3,935)</u>
NET CURRENT ASSETS		<u>22,609</u>	<u>-</u>	<u>22,609</u>	<u>23,359</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,345,498</u>	<u>-</u>	<u>1,345,498</u>	<u>1,287,685</u>
NET ASSETS		<u>1,345,498</u>	<u>-</u>	<u>1,345,498</u>	<u>1,287,685</u>
FUNDS	8				
Unrestricted funds				<u>1,345,498</u>	<u>1,287,685</u>
TOTAL FUNDS				<u>1,345,498</u>	<u>1,287,685</u>

The financial statements were approved by the Board of Trustees on 20 Aug 2018 and were signed on its behalf by:


.....
Rt Rev Mgr Canon N J Rothon -Trustee

The notes form part of these financial statements

SECULAR CLERGY NEW COMMON FUND

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 DECEMBER 2017**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

Financial reporting standard 102 - reduced disclosure exemptions

The charity has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of Section 3 Financial Statement Presentation paragraph 3.17(d).

Income

Voluntary Income donations and legacies are accounted for when received. Investment income and gift aid reclaim is included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Expenditure

Expenditure is recognised when it is incurred and is reported gross of related income. Allowances are paid at the discretion of the Administrators at variable rates having regard to individual circumstances.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds 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.

Investments

The original costs of investments and the recognition of income streams are based upon records maintained by the Investment Managers, Barclays Wealth and Investment Management. The investments are accounted for at market value.

Provisions and accruals

Provisions are recognised when there is a present legal or constructive obligation as a result of past events and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

2. INVESTMENT INCOME

	2017	2016
	£	£
Other fixed asset investments	44,669	46,766
Deposit account interest	-	46
	<u>44,669</u>	<u>46,812</u>

SECULAR CLERGY NEW COMMON FUND

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2017

3. RAISING FUNDS

Investment management costs

	2017 £	2016 £
Investment Management Costs	<u>3,897</u>	<u>3,371</u>

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2017 nor for the year ended 31 December 2016.

The average number of trustees during the year was 6 (2016 - 6).

5. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 January 2017	1,264,326
Disposals	<u>(36,462)</u>
At 31 December 2017	<u>ee224,864</u>
 PROVISIONS	
Provision b/f	<u>(95,025)</u>
 NET BOOK VALUE	
At 31 December 2017	<u>1,322,889</u>
At 31 December 2016	<u>1,264,326</u>

There were no investment assets outside the UK.

6. DEBTORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2017 £	2016 £
Other debtors	<u>8,487</u>	<u>7,729</u>

SECULAR CLERGY NEW COMMON FUND

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2017

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Other creditors	<u>3,830</u>	<u>3,935</u>

8. MOVEMENT IN FUNDS

	At 1.1.17 £	Net movement in funds £	At 31.12.17 £
Unrestricted funds			
General fund	1,287,685	57,813	1,345,498
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>1,287,685</u>	<u>57,813</u>	<u>1,345,498</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	52,109	(90,793)	96,497	57,813
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>52,109</u>	<u>(90,793)</u>	<u>96,497</u>	<u>57,813</u>

SECULAR CLERGY NEW COMMON FUND

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2017

	2017 £	2016 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	6,573	6,709
Gift aid	867	1,024
Legacies	<u>-</u>	<u>6,000</u>
	7,440	13,733
Investment income		
Other fixed asset investment	44,669	46,766
Deposit account interest	<u>-</u>	<u>46</u>
	<u>44,669</u>	<u>46,812</u>
Total incoming resources	52,109	60,545
EXPENDITURE		
Investment management costs		
Investment management costs	3,897	3,371
Charitable activities		
Allowances to members	80,150	75,600
Support costs		
Governance costs		
Trustees' expenses	79	134
Auditors' remuneration	2,829	2,760
Postage and stationery	210	179
Annual meeting expenses	416	528
Professional fees	<u>3,212</u>	<u>3,044</u>
	<u>6,746</u>	<u>6,645</u>
Total resources expended	90,793	85,616
	<u>-</u>	<u>-</u>
Net expenditure before gains and losses	(38,684)	(25,071)
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	96,497	146,661
	<u>-</u>	<u>-</u>
Net income	<u>57,813</u>	<u>121,590</u>