

**Sion
College**

Annual Report and Accounts

31 December 2020

Charity Registration Number
306142

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Reference and administrative information Year to 31 December 2020

Governors	The Revd Eileen McGregor (President) The Revd Paul Bagott The Revd Graham Buckle The Revd Mae Christie The Revd Jeremy Crossley Paul Double Esq The Revd Matthew Duckett The Revd Dr Alison Joyce The Revd Brian Leathard The Revd Sam McNally-Cross The Revd Catherine Shelley Sir Michael Pownall
Honorary Librarian	The Revd Gillelan Craig
Finance Committee	The Revd Mae Christie (Chair) The Revd Eileen McGregor The Revd Matthew Duckett The Revd Peter Wolton David Scott Esq
Grants Committee	The Revd Dr Alison Joyce (Chair) The Revd Jeremy Crossley The Revd Matthew Duckett The Revd Sam McNally-Cross Sir Michael Pownall
Honorary Treasurer	The Revd Mae Christie
Honorary Curator	The Revd George Bush
Registered office	Faith House 7 Tufton Street London SW1P 3QB
Charity registration number	306142

Reference and administrative information Year to 31 December 2020

Independent examiner	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	Unity Trust Bank Plc 4 Brindley Place Birmingham B1 2BJ
Investment managers	Investec Wealth & Investment Limited 2 Gresham Street London EC2V 7QP CCLA Investment Management Limited Senator House 85 Queen Victoria Street London EC2V 4ET

Annual Report of the Court of Governors Year to 31 December 2020

The Court of Governors, who are also the trustees of the charity, present their statutory report together with the accounts of Sion College for the year to 31 December 2020.

The accounts have been prepared in accordance with the accounting policies set out on pages 15 to 19 of the attached accounts and comply with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), effective from accounting periods commencing 1 January 2015 or later.

ACTIVITIES, SPECIFIC OBJECTIVES AND RELEVANT POLICIES

Charitable objectives and activities

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

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

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

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

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

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

Grant making policy

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

Currently the maximum grant available to individuals is £1,000 (2019 – £1,000) and is awarded to fund study leave, courses, research and other innovative projects.

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

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

ACTIVITIES, SPECIFIC OBJECTIVES AND RELEVANT POLICIES (continued)

Grant making policy (continued)

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

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

Investment policy

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

ACHIEVEMENTS AND PERFORMANCE

Review of activities

President's report

I am writing this report for 2020 in what must surely have been one of the most unusual years in the history of Sion College. On behalf of the College I should like to convey our thanks to all members of the Court who agreed to remain in post for a second year while we worked out how best to modify our modus operandi and programme of events to meet Covid-19 circumstances. I am particularly grateful to everyone who mastered the intricacies of Zoom so swiftly and effectively as we have moved to offering events online. None of this would have been possible, however, without the tremendous hard work and dedication of our administrator, Jeremy Smith, who had to move the Sion office into his home at very short notice. Jeremy has been unstinting in his devotion to duty and worked hard to organise deliveries of packages to accompany online events. I have also been very grateful to the Court, Fellows and Members for all your support during my extended term as President.

2020 began with two very different theatre visits in the first week. There was a group trip to *Death of a Salesman*, postponed from 2019 due to a ceiling collapse at the theatre, which was thoroughly enjoyed by one and all. This was followed two days later with our usual family trip to the pantomime which proved to be as popular as ever, and it was lovely to welcome again so many clergy families. There were two further events in January, the first being a visit to the Troy exhibition at the British Museum, followed by a most informative talk on the subject from Donald Easton. The second was an inspiring presentation by Mark Oakley of his Lent Book on the poems of George Herbert which, not surprisingly, drew a large number of guests to the Savile Club.

Annual Report of the Court of Governors Year to 31 December 2020

ACHIEVEMENTS AND PERFORMANCE (continued)

Review of activities (continued)

President's report (continued)

In February we covered two very different subjects, each attracting diverse interest groups, and each offering their own particularly valuable insights. The first was an in-depth tour of Lord's cricket ground, followed by a rigorously detailed talk on the theology of sport by Lincoln Harvey. The second was a well-received talk by Lord Warner on the very topical and challenging subject of adult social care. What has proved to be our final 'live' event of the year was a thought-provoking talk in March by Paula Gooder who spoke about the challenges of preaching on Judaism in the Light of Christ. Not surprisingly this also drew a large number of guests and it was an excellent event.

On 23 March 2020 the country entered lockdown and all further Sion events were cancelled or put on hold. At that time it was very unclear as to if and when we might be able to resume our planned programme for the year. Under the terms of our Statutes we were obliged to hold an AGM in 2020 so it was postponed until July and took place online. Sadly we were not able to follow it up with the Feast.

As the year progressed it became clear that we would not be able to hold events in our usual format and we therefore explored the possibility of holding them online. There was some doubt as to whether Fellows and Members would be attracted by Zoom events, since many already spent much of their working days in front of a screen, but these events have proved to be very popular. They have attracted record numbers of attendees, some of whom would have been unable to travel to many live events, and we have not needed to limit numbers attending. Sadly such events meant that we have not been able to offer the usual level of Sion hospitality and fellowship, but we have tried to compensate to some degree by offering some form of refreshment and, where relevant, sending an advance copy of the book to be discussed.

After moving online we covered a diversity of subjects, amongst them the Night-time Economy, presented by London's 'night-czar' Amy Lamé, an in-depth study of a painting (Bellini's Assassination of St Peter Martyr) presented by Marc Woodhead of the National Gallery, discussion of institutional racism and the Church of England led by the author of 'Ghost Ship', Azariah France-Williams, and a talk and reflection on preaching by David Hoyle, Dean of Westminster. All four presentations were most interesting and thought provoking in different ways.

With ongoing uncertainty regarding Covid-19 regulations we have continued into 2021 with events online only on a wide range of topics and they have all attracted a very high level of attendance. We are nevertheless still hoping to transfer some of the 'live' events and visits planned for 2020 into the calendar for 2021 but it is not practical to confirm dates until we have greater certainty that they can take place.

Annual Report of the Court of Governors Year to 31 December 2020

ACHIEVEMENTS AND PERFORMANCE (continued)

Review of activities (continued)

President's report (continued)

As reported at our AGM in July 2020 Lambeth Palace library took ownership of their new building that month. It will enable them to display the Sion collection in one place and in much improved environmental conditions for the first time. They will be committing additional staff resources in order to undertake this project. The Court has committed to supporting their work financially by offering an annual grant of £15,000 for three years, beginning in 2020. We are hoping to have a Sion College visit to the new building and learning more about the collection later in 2021. The portrait of Bishop Porteus which the college lent to Fulham Palace has now been fully restored and re-hung. From the photographs we have seen it is looking splendid. We hope to visit the Palace later this year and view it in situ.

In conclusion, Sion College has shown flexibility in adapting to the limitations and uncertainties imposed by Covid-19 and in so doing has attracted a number of new Members. From the feedback received it continues to be a source of 'Godly fellowship and sound learning' and it has been a great honour to have served as President for a second year.

Grants committee report (the Revd Alison Joyce)

Despite the constraints resulting from the pandemic, the Grants Committee held its scheduled meetings in February, May and October 2020, although the second and third of these were held via Zoom. Lockdown restrictions and uncertainty about what would be permitted in the immediate future had an inevitable impact upon clergy applications for study leave and course grants. This is reflected in the total amount of money awarded for these activities, which is substantially below the budget set for the year. Where awards were made, the committee requested evidence that the projected course or activity for which funding was received had indeed taken place.

Out of a budget of £13,000 for Study Leave grants a total of £5,500 was awarded, and out of a total budget of £6,600 for Library and Retreat grants, £1,314.17 was awarded. The annual ALMA donation of £1,000 was awarded as usual.

In the light of the strong position of the College's finances in the current circumstances, the Grants Committee gave its full support to the proposal that we make a special grant to Lambeth Palace Library of £15,000 per year for a total of three years, to support its work in conserving our library holdings as it made the transition to new premises.

As a result of the above, a total of £23,814.17 was spent out of a budget set for the year of £26,100.

Annual Report of the Court of Governors Year to 31 December 2020

FINANCIAL REVIEW

Results for the year

A summary of the year's results can be found on page 13 of this report and accounts.

The accounts for 2020 show a net decrease in funds of £123,540 (2019 net increase of £452,269). This decrease included a net loss on investments of £104,811 (2019 net gain in value of £442,244).

The total net assets in the balance sheet of £4,253,089 (2019 £4,376,629) are stated at market value and all funds are unrestricted.

Treasurer's Report (the Revd Jeremy Crossley, standing in for the Revd Mae Christie who is on maternity leave)

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

There is an operating deficit shown in the 2020 accounts of £18,729 (2019 surplus of £10,025). This figure includes an accrued grant expense of £30,000, representing the second and third annual payments of the £15,000 grant to Lambeth Palace Library.

The Investment Manager at Investec reported that the portfolio was managed according to a long-term view. At the end of 2020 the College's overall investment portfolio (including both the Investec and CCLA holdings) was valued at just under £4.23m (2019 £4.33m). Although in the first three months of 2020, due to the impact of the Covid pandemic, the Investec portfolio value fell some 17% from £4,089,755, this portfolio had recovered by the year-end to £3,993,386.

The investment income for 2020, which at £116,849 was about 24% lower than in 2019, declined for a number of reasons, including continuing uncertainty about the impact of Brexit, the Covid pandemic and the ongoing weakness of sterling against other major currencies. However, we believe that the impact on investment income from both the Investec and the CBF Church of England Investment Fund will be more serious than the likely impact on our capital funds.

Our Investment Manager at Investec reports that in February and March 2020 the effects of the pandemic & the initial lockdown had a major impact on company finances which was almost instant. As a result dividends from a variety of companies were suspended, cut or reduced. In the UK market the impact was dramatic with overall dividends cut by 40%. The impact on dividend shortfalls mainly impacted the energy (particularly oil), travel and leisure, retail and property sectors.

He noted, as well, that for many years, the level of interest rates has been very low by historical standards. This has allowed consumers to take out mortgages and borrow on a level that would not have been possible twenty years ago. In addition, the Government's ability to give such significant support during the pandemic has only been possible as borrowings have been increased at very cheap levels of interest. This may, however, be about to change as indicated in the rise in Bond yields and the possible threat of inflation going forward.

Annual Report of the Court of Governors Year to 31 December 2020

FINANCIAL REVIEW (continued)

Treasurer's Report (continued)

2021 has started cautiously but our Investec Investment Manager reports that a number of companies are reinstating dividends, which is encouraging. On the basis that lockdowns ease and economies continue to open with business improving, he expects this to continue.

The rise in Bond Yields since the start of the year indicates an improving economic scenario going forward. The Investment Manager was therefore hopeful that the income stream for the charity would improve from current levels as we progress through 2021, but he agreed with the College's cautious approach in budgeting for no increase in investment income for the full year 2021 over 2020 levels.

In the light of this it is confirmed that the College's anticipated income for the coming year is adequate to fulfil the objectives of the College as restrictions are eased.

Reserves Policy

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

At 31 December 2020, the net current assets of the College, that is those unrestricted funds not designated for specific purposes or held as fixed asset investments, amounted to £40,617 (2019 £44,283).

Investments are excluded from the free reserves balance due to their intended use being for the long term viability of the College and are therefore not deemed to be immediately realisable although in addition to the main investment portfolio the College has units in a CCLA Fund to the value of £217,403 at 31 December 2020. This investment is intended to be available for use at short notice if required.

GOVERNANCE, STRUCTURE AND MANAGEMENT

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

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

Organisation and Governance

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

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

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Organisation and Governance (continued)

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

The Court of Governors meets on a regular basis; during 2020 eight (2019 – ten) Court meetings were held.

Recruitment and appointment

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

Induction and training

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

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

Governors' responsibilities statement

The governors are responsible for preparing the Court of Governors' report and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Governors' responsibilities statement (continued)

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

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

Key management personnel

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

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

Risk management

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

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

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

Annual Report of the Court of Governors Year to 31 December 2020

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Risk management (continued)

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

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

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

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

Signed on behalf of the Court of Governors:

E McGreer

Governor

Approved by the Court of Governors on:

29th April 2021

Independent examiner's report Year ended at 31 December 2020

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

I report on the accounts of Sion College for the year ended 31 December 2020, which are set out on pages 13 to 24.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

- ◆ accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
- ◆ the accounts do not accord with those records; or
- ◆ the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination.

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.



Shachi Blakemore, ACA
Buzzacott LLP
130 Wood Street
London
EC2V 6DL

21 May 2021

Statement of financial activities Year ended at 31 December 2020

	Notes	Unrestricted funds	
		Total funds	Total funds
		2020	2019
		£	£
Income from:			
Donations		10	2,980
Charitable activities			
. Functions, educational visits and database receipts		5,725	25,647
Trading activities			
. Subscriptions		10,619	10,648
Investments	1	116,849	153,617
Total income		133,203	192,892
Expenditure on:			
Raising funds	2	38,508	37,469
Charitable activities			
. Promotion of learning and fellowship amongst the clergy of the Church of England	3	113,424	145,398
Total expenditure		151,932	182,867
Net income before gains and losses on investments		(18,729)	10,025
Net (losses) gains on investments	10	(104,811)	442,244
Net (expenditure) income and net movement in funds for the year		(123,540)	452,269
Reconciliation of funds:			
Total funds brought forward		4,376,629	3,924,360
Total funds carried forward		4,253,089	4,376,629

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

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

Balance sheet as at 31 December 2020

	Notes	2020 £	2020 £	2019 £	2019 £
Fixed assets:					
Investments	10		4,227,472		4,332,346
Current assets:					
Debtors	11	5,562		8,657	
Short term deposits		23		7,114	
Cash at bank and in hand		56,152		34,296	
		<u>61,737</u>		<u>50,067</u>	
Creditors: amounts falling due within one year	12	<u>(21,120)</u>		<u>(5,784)</u>	
Net current assets			<u>40,617</u>		<u>44,283</u>
Total assets less current liabilities			<u>4,268,089</u>		<u>4,376,629</u>
Creditors: amounts falling due after more than one year	13		(15,000)		—
Total net assets			<u>4,253,089</u>		<u>4,376,629</u>
The funds of the charity:					
Unrestricted income funds			<u>4,253,089</u>		<u>4,376,629</u>
			<u>4,253,089</u>		<u>4,376,629</u>

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

E M^cGregor

Governor

Approved on: 29th April 2021

Principal accounting policies 31 December 2020

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

Basis of preparation

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

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

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

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

Critical accounting estimates and areas of judgement

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

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

Assessment of going concern

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

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

With regard to the next accounting period, the year ending 31 December 2021, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the trustees' report for more information and note 10 to these accounts). This is reflected in the College's reserves policy and the governors are therefore of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

Principal accounting policies 31 December 2020

Income recognition

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

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

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

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

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

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

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

Expenditure recognition

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

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

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

Principal accounting policies 31 December 2020

Expenditure recognition (continued)

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

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

Allocation of support and governance costs

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

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

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

Fixed asset investments

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

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

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

Heritage assets

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

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

Principal accounting policies 31 December 2020

Debtors

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

Cash at bank and in hand and short term deposits

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

Creditors and provisions

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

Financial instruments

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

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

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

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

Fund structure

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

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

Leased assets

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

Principal accounting policies 31 December 2020

Statement of cash flows

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

Notes to the accounts 31 December 2020

1 Investment income

	Unrestricted	
	2020 £	2019 £
Dividends and interest from investments	110,648	146,816
Interest on short term deposits	6,201	6,801
	116,849	153,617

2 Expenditure on raising funds

	Direct costs £	Support costs (note 6) £	Total Un-restricted 2020 £	Direct costs £	Support costs (note 6) £	Total Un-restricted 2019 £
Donations	—	2,011	2,011	—	1,954	1,954
Members' subscriptions	—	8,043	8,043	—	7,816	7,816
Investment management costs	27,388	1,066	28,454	26,658	1,041	27,699
	27,388	11,120	38,508	26,658	10,811	37,469

3 Expenditure on charitable activities

	Direct costs £	Support costs (note 6) £	Total Un-restricted 2020 £	Direct costs £	Support costs (note 6) £	Total Un-restricted 2019 £
Promotion of learning and fellowship amongst the clergy of the Church of England						
. Grants payable (note 4)	53,814	7,274	61,088	18,174	5,654	23,828
. Functions and educational visits and debates	28,367	21,820	50,187	85,039	16,961	102,000
. Annual feast	2,149	—	2,149	13,916	5,654	19,570
Total funds	84,330	29,094	113,424	117,129	28,269	145,398

Notes to the accounts 31 December 2020

4 Grants payable

	2020 £	2019 £
Research and sundry grants		
Lambeth Palace Library (see note below)	45,000	2,500
ALMA	1,000	1,000
Retreat study grants – 6 awarded (2019 – 18)	1,254	3,473
Library membership grants – 1 awarded (2019 – 3)	60	180
Research and educational grants – 2 awarded (2019 – 4)	1,000	1,421
	48,314	8,574
Grants for study leave		
Study leave – 6 awarded (2019 – 10)	5,500	9,600
Total grants payable	53,814	18,174
Support costs	7,274	5,654
	61,088	23,828
Grants payable to:		
. Institutions	46,000	3,500
. Individuals	7,814	14,674
	53,814	18,174

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

5 Staff costs and remuneration of key management personnel

	2020 £	2019 £
Salaries and wages	22,000	21,715
Pension costs	1,317	1,303
	23,317	23,018

The charity employed one member of staff during the year (2019 – one).

No employee earned more than £60,000 per annum in 2019 and 2020.

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

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

Notes to the accounts 31 December 2020

6 Support costs

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

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

	Raising funds			2019 total £
	Donations and sub- scriptions £	Investment manage- ment costs (note 2) £	Charitable activities (note 3) £	
Premises	1,644	66	4,867	6,577
Administrative				
. Administrator (note 5)	5,754	691	16,573	23,018
. General administrative expenses	95	11	271	377
Governance costs (note 7)	1,041	125	2,998	4,164
General				
. Other expenses	1,236	148	3,560	4,944
Total 2019 funds	9,770	1,041	28,269	39,080

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

7 Governance costs

	2020 £	2019 £
Court expenses	47	1,374
Independent examiner's remuneration		
. Independent examination fee	1,950	1,730
. Other services	1,080	1,060
	3,077	4,164

8 Trustees' remuneration and related party transactions

Members of the Court of Governors received no remuneration (2019 – nil). No members of the Court were reimbursed for directly incurred expenses (2019 – £22 to one member of the Court).

9 Taxation

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

10 Investments

	2020 £	2019 £
Market value of listed investments at 1 January	4,293,116	3,828,722
Acquisitions at cost	753,268	856,142
Disposals at market value (proceeds £730,783; realised losses £91,199)	(821,982)	(757,292)
Net (losses) gains on revaluation at 31 December	(13,612)	365,544
Market value of listed investments as at 31 December	4,210,790	4,293,116
Cash held for investment	16,682	39,230
Total market value of investments at 31 December	4,227,472	4,332,346
Historical cost of listed investments as at 31 December	3,349,587	3,207,643

Listed investments held at 31 December comprised the following:

	2020 £	2019 £
UK equities	1,072,444	1,519,096
Fixed interest securities	693,762	722,768
Property unit trusts	346,775	377,049
Overseas equities	1,614,139	1,298,765
Alternative assets	483,670	375,438
	4,210,790	4,293,116

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

No investments individually amounted to over 5% of the portfolio at 31 December 2020 (2019: none).

Notes to the accounts 31 December 2020

10 Investments (continued)

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

	2020 £	2019 £
Reconciliation of movements in unrealised gains		
Unrealised gains at 1 January	1,085,473	736,333
Less: in respect to disposals in the year	(210,659)	(16,404)
Add: net (losses) gains arising on revaluation in the year	(13,612)	365,544
Total unrealised gains at 31 December	861,202	1,085,473

11 Debtors

	2020 £	2019 £
Accrued income	1,704	2,139
Prepayments	3,858	5,992
VAT	—	526
	5,562	8,657

12 Creditors: amounts falling due within one year

	2020 £	2019 £
Accruals and deferred income	5,489	5,434
Other creditors	440	350
Grants committed (note 4)	15,000	—
VAT	191	—
	21,120	5,784

13 Creditors: amounts falling due after more than one year

	2020 £	2019 £
Grants committed (note 4)	15,000	—
	21,120	5,784

14 Operating lease commitments

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

	2020 £	2019 £
Payable within:		
One year	5,900	5,900
One and five years	25,992	24,892
Over five years	6,417	13,417
	38,309	44,209

Appendix A – Grant making policy

Course and Sabbatical Grants

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

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

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

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

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

Two grant application forms are now used:

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

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

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

Appendix A – Grant making policy

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

Gladstone's Library and the Society of Mary and Martha

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

Grants Committee: Sabbatical or study leave grants

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

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

The rationale for this policy is that:

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

Appendix A – Grant making policy

Grants Committee: Library Grants

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