

# Chiltern Church

Report and Accounts

Year ended 31 December 2021

**Stewardship**   
*Active generosity*

1 Lamb's Passage, London EC1Y 8AB  
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**CHILTERN CHURCH**  
**LEGAL AND ADMINISTRATIVE DETAILS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

ADDRESS FOR CORRESPONDENCE	Mrs Susan Legg Chiltern Church 83 Chiltern Road Sutton SM2 5QY
GOVERNING DOCUMENT	Trust deed dated 1963 Trust deed dated 1958 for church buildings only
CHARITY REGISTRATION NUMBER	1116502
TRUSTEES RESPONSIBLE FOR MANAGING THE CHARITY	Rachel Berende Mark Constantinou Ram Gidoomal (resigned March 2021) Susan Legg David Lunn John Morton Adebimpe Oki David Roberts
CUSTODIAN TRUSTEES	The Church Growth Trust
BANKERS	CAF Bank Ltd HSBC UK National Westminster Bank Plc Nationwide Building Society
INDEPENDENT EXAMINER	Jaimée Young Stewardship 1 Lamb's Passage LONDON EC1Y 8AB

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## **Chiltern Church – Charity 1116502**

### **Report of the Trustees for the year ended 31 December 2021**

The Trustees have pleasure in submitting their Report and Accounts for the year.  
The accounts incorporate the accounts of Chiltern Church Property Trust.

#### **Objects of the Church**

The objects of the Church comprise –

- The advancement of the Protestant and evangelical tenets of the Christian Faith, either in the United Kingdom or overseas.
- The encouragement of missionary activity designed for the spread of the Christian faith.
- The furtherance of religious education.
- The relief of the poor and needy.
- The help and comfort of the sick and aged.
- The administration of any property or estate for any religious or other charitable object, institution or work.
- The general advancement of any religious or other charitable object, not inconsistent with the above.

#### **Governance and staff resources**

The Trustees are responsible for ensuring that the property and activities of Chiltern Church (the Church) are applied to the objects of the Church and this includes managing the Church building and any property owned by the Church. They are legally responsible for all activities, employees and funds used in the Church and its associated activities.

The Trust Deeds do not specify the arrangements for the running and day to day management of the Church. The Church Constitution therefore complements the Trusts by setting out guidance and procedures for the functioning of the Church, subject always to the requirements of the Trust Deeds. Under the Constitution, the Leadership Team, chaired by the Pastor, lead the day to day organisation and operation of the Church and plan and supervise the activities of the Church under delegated authority from the Trustees. A series of policies are also in place to provide for the effective operation and safety of the Church (e.g. Health and Safety, Safeguarding) and these are reviewed regularly and any changes are agreed by the Leadership Team and Trustees.

The staff, Trustees, Leadership Team, and church members comprise people of a wide variety of backgrounds and ages, whose lives have been changed by the Christian faith. A large proportion of the membership of the church are involved as volunteers in leading and helping to run the activities of the Church.

The Church is fortunate to have two full-time members of staff, namely the Pastor and the Youth & Worship Pastor, and three part-time staff positions (Children & Families Leader, Children & Families Worker and Church Administrator). We were very pleased to welcome Sunitha Nair as our new Church Administrator with effect from October of this year.

## **Review of Activities**

The vision of the Church is for our fellowship to be energized by the love and power of God, to grow as followers of Jesus and share His hope with our community, city and world. These three elements are summarized as Loved, Equipped and Involved. The inspiration of the Bible, the essential role of the Holy Spirit and Jesus' message of love and redemption are at the core of the ministry of the church. Further details of our vision and core values and all the activities of the church are available on the church's website at [www.chilternchurch.org.uk](http://www.chilternchurch.org.uk).

The Coronavirus epidemic again had an extensive impact on the activities of the church during the year. We sought to take all reasonable measures to ensure the safety of our congregation, volunteers and staff in response to the risks posed by the pandemic while continuing with the ministry of the church. For most of the year the church met on Sundays in a hybrid form with services streamed live on YouTube at the same time as meeting in person in a socially distanced gathering. Meetings for some groups, such as Connect groups, were facilitated by the Zoom platform, whereas other groups, such as Cameo, our seniors' group, and Tots & Toys, our mother and toddlers' group, continued to meet in a socially distanced format. We are grateful for the expertise and flexibility of staff and our technical team in managing the various changes of requirements during the year. As Coronavirus restrictions were eased during the year, activities were opened up in the church on a cautious basis. Children's and youth activities were popular when normal meetings restarted and, encouragingly, attendance often exceeded pre-pandemic levels in the final third of the year.

The premises are normally used as a community facility for various local initiatives. Use of the premises this year has been limited by Coronavirus restrictions but usage restarted in the final third of the year. We have continued to maintain a high standard of maintenance and facilities across all the Church's property. In the summer, extensive repairs were carried out on the main church roof and the front of the church and foyer were redecorated.

## **Financial Review**

Details of the Church's finances are set out in the accompanying accounts. Coronavirus restrictions again had a major adverse impact on the church's income from use of church premises, from Tots & Toys and Sunday collections. This was partially offset by cost reductions, due to less use of the church building, and furlough grants. We continued to be blessed by the regular giving of our members and friends by standing order and bank transfer and this continued at a strong level. The overall deficit on the normal activities of the church was relatively modest given the impact of Coronavirus restrictions. As noted above, the Church also carried out extensive repairs on the main church roof. This cost over £6000 and half of this cost was met from restricted donations and the remainder was financed from reserves.

The Church sets aside 10% of its undesignated donation income and associated gift aid to missionaries, charitable organizations and relief projects in the UK and overseas. The Church made a contribution of £1.5k out of this allocation to South Asian Concern for the Oxygen for India, covid relief appeal. Members and friends also gave £5.4k directly to this appeal.

In 2020, the Church assisted the pastor and his wife to purchase a home on a shared ownership basis. The Church has an interest of approximately 40% in the new property. It finances its stake with an existing fund designated for this purpose and funds raised from a mortgage on the flat owned by the church.

## **Reserves**

The Church has a minimum reserves policy which is reviewed annually by the Trustees. The minimum reserve is not invested in fixed assets, designated for specific purposes, or otherwise committed. The Trustees consider that the church should continue to maintain the minimum level of general reserves at a level broadly equivalent to three months of expenditure on salaries and other committed costs. In accordance with this policy, the Trustees agreed to increase minimum general reserves from £25,000 to £30,000 with effect from the end of 2018 in view of the increased level of the church's salary costs and committed costs. On further review we have agreed to maintain minimum general reserves at this higher level of £30,000. This minimum level of reserves provides flexibility to cover short term risks and uncertainties, such as fluctuations in donations and other short-term timing differences, and meet contractual obligations.

The church currently has significant undesignated reserves above the minimum level of reserves and these are available for investment in the ministry and facilities of the church. In addition, the church has a designated reserve to enable purchase of accommodation for the pastor in the church area. This reserve was invested in the purchase of a house for the pastor and his family on a shared ownership basis in 2020 as described in the Financial Review section above.

## **Investment Policy**

The policy for investing funds, not represented by church property, is as follows: -

- Funds in the general reserves representing the minimum amount seen as being required by the Trustees, are held in current accounts or interest-bearing deposits with up to a three months' notice period.
- Funds in excess of the minimum required level of general reserves are held in current accounts or interest-bearing deposits with no restrictions on notice period.
- In either case, deposits are placed with UK banks, building societies or other UK institutions of good standing (e.g. the Charities Aid Foundation) and are covered by the Financial Services Compensation Scheme.

## **Risk Control**

The Trustees review, on an annual basis, the significant risks to which the church may be exposed and the measures in place to contain such risks. The Leadership Team and activity leaders are also involved in risk assessment and mitigation.

## **Provision of Public Benefit**

The Leadership Team and the Trustees acknowledge the guidance of the Charity Commission in respect of Public Benefit and Religion and have paid due regard to it. The wide ranging and varied activities of the Church supply much appreciated benefit and support both to those in the church, the community and to various projects and individuals around the world. These benefits have helped to meet spiritual, physical and educational needs and supported and helped communities irrespective of background and status. As noted in the Financial Review, the Church sets aside 10% of its undesignated donation income and associated gift aid for funding missionaries, charitable organizations and relief projects in the UK and overseas.

## **Trustee Responsibilities**

Charity law requires us as Trustees to prepare financial statements for each accounting year which record the receipts and payments of the Church for the year. We are responsible for keeping proper accounting records which disclose with reasonable accuracy, at any time, the financial position of the Church and enable us to ensure that the financial statements comply with the Charities Act 2011. We also have responsibility to safeguard the assets of the Church and to take reasonable steps to prevent fraud or any other irregularities.

**Approval**

This report was approved by the Trustees and signed by their behalf by

Susan Legg

Date: 24 April 2022

**INDEPENDENT EXAMINER'S REPORT**  
**TO THE TRUSTEES OF**  
**CHILTERN CHURCH**

I report to the trustees on my examination of the accounts of Chiltern Church ('the charity') for the year ended 31 December 2021 on pages 7 to 10 following.

**Responsibilities and basis of report**

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

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

1. accounting records were not kept in accordance with section 130 of the 2011 Act; or
2. the accounts do not accord with the accounting records.

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

Jaimée Young

Stewardship  
1 Lamb's Passage  
LONDON  
EC1Y 8AB

Date: 04 May 2022

**CHILTERN CHURCH**  
**RECEIPTS AND PAYMENTS ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	<u>Unrestricted</u>		<u>Restricted</u>		Total 2021 £	Total 2020 £
		General Funds £	Designated Funds £	Property Trust £	Other Restricted £		
<b>Income receipts</b>							
Donations		112,885	-	-	13,368	126,253	127,305
Gift aid receipts		25,743	-	-	2,044	27,787	24,091
Legacies		-	-	-	-	-	5,000
Government grants		5,715	1,321	-	-	7,036	2,888
Income from charitable activities		1,820	3,670	-	-	5,490	4,261
Income from letting of facilities		-	-	1,935	-	1,935	1,339
Events		-	-	-	-	-	4,206
Investment income		18	-	-	-	18	214
Other		766	-	-	-	766	20
		<u>146,947</u>	<u>4,991</u>	<u>1,935</u>	<u>15,412</u>	<u>169,284</u>	<u>169,324</u>
<b>Capital and similar receipts</b>							
Mortgage received		-	-	-	-	-	130,000
Returned rental deposit		-	-	-	-	-	2,840
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>132,840</u>
<b>Total receipts</b>		<u>146,947</u>	<u>4,991</u>	<u>1,935</u>	<u>15,412</u>	<u>169,284</u>	<u>302,164</u>
<b>Payments</b>							
Payments in relation to charitable activities undertaken directly	2	127,416	10,467	8,779	9,275	155,937	180,818
Grants paid in relation to charitable activities undertaken by others	3	13,680	-	-	7,277	20,957	23,202
		<u>141,096</u>	<u>10,467</u>	<u>8,779</u>	<u>16,552</u>	<u>176,894</u>	<u>204,020</u>
<b>Capital and similar payments</b>							
Purchase of property		-	-	-	-	-	196,000
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>196,000</u>
<b>Total payments</b>		<u>141,096</u>	<u>10,467</u>	<u>8,779</u>	<u>16,552</u>	<u>176,894</u>	<u>400,020</u>
Net of receipts / (payments) before transfers		5,851	(5,477)	(6,844)	(1,140)	(7,610)	(97,855)
Transfers between funds	5	(14,989)	5,102	6,844	3,043	-	-
<b>Net movement in funds</b>		<u>(9,138)</u>	<u>(375)</u>	<u>-</u>	<u>1,903</u>	<u>(7,610)</u>	<u>(97,855)</u>
Cash funds as at last year end		51,438	6,430	-	(296)	57,573	155,428
<b>Cash funds at this year end</b>	A	<u>42,301</u>	<u>6,055</u>	<u>-</u>	<u>1,607</u>	<u>49,963</u>	<u>57,573</u>

The notes on pages 9 - 10 form part of these accounts.



**CHILTERN CHURCH**  
**STATEMENT OF ASSETS AND LIABILITIES**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

	<u>Unrestricted</u>		<u>Restricted</u>		Total 2021	Total 2020
	General funds £	Designated funds £	Property Trust £	Other Restricted £	£	£
<b>A Cash funds</b>						
Bank operating accounts	2,003	-	-	1,607	3,610	5,991
Bank deposits	39,608	6,035	-	-	45,643	50,983
Petty cash and prepaid card	690	20	-	-	710	599
	<u>42,301</u>	<u>6,055</u>	<u>-</u>	<u>1,607</u>	<u>49,963</u>	<u>57,573</u>
<b>B Other monetary assets</b>						
Gift aid due to charity	6,530	-	-	-	6,530	8,584
	<u>6,530</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,530</u>	<u>8,584</u>
<b>C Liabilities</b>						
<b>Falling due within one year:</b>						
Mortgage	11,345	-	-	-	11,345	11,345
Deferred income	420	-	-	-	420	-
Creditors and accrued costs	-	-	-	-	-	58
Accounts preparation and independent examination	1,380	-	-	-	1,380	1,380
	<u>13,145</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,145</u>	<u>12,783</u>
<b>Falling due after one year:</b>						
Mortgage	106,935	-	-	-	106,935	118,487
	<u>106,935</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>106,935</u>	<u>118,487</u>
<b>Total</b>	<u>120,080</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>120,080</u>	<u>131,269</u>

The mortgage, secured on a freehold property owned by the church, is repayable over 15 years at an interest rate of 3.75% per annum.

<b>D Assets retained for charity's own use</b>	Value 2021 £	Value 2020 £
Freehold and leasehold properties	1,558,500	1,500,000
Contents and equipment	120,360	120,000
	<u>1,678,860</u>	<u>1,620,000</u>

The trustees have used insurance values as the trustees are unable to reliably estimate current values; insurance values may differ materially from current values.

<b>E Investment assets</b>	Value 2021 £	Value 2020 £
Investment property (interest in property owned by Mission Housing).	232,349	210,271
	<u>232,349</u>	<u>210,271</u>

The accounts were approved by the trustees and signed on their behalf

by Susan Legg date 24 April 2022

The notes on pages 9 - 10 form part of these accounts.

**CHILTERN CHURCH**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**1 Accounting policies**

The accounts have been prepared on a receipts and payments basis and comprise a statement that shows the charity's receipts and payments, a statement that summarises the charity's assets and liabilities and related notes. The accountancy profession have determined that only accounts prepared in accordance with applicable accounting standards present a 'true and fair' view and, as these receipts and payments accounts have not (and cannot) be prepared in accordance with accounting standards, these accounts do not present (and are not intended to present) a 'true and fair' view of the charity's financial activities and state of affairs.

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects.

	<u>Unrestricted</u>		<u>Restricted</u>		Total	Total
	General funds	Designated funds	Property Trust	Other Restricted	2021	2020
	£	£	£	£	£	£
<b>2 Payments in relation to charitable activities undertaken directly</b>						
Ministry employment costs	92,102	-	-	-	92,102	93,697
Building refurbishment costs	205	-	-	6,168	6,373	9,870
Events	211	-	-	-	211	10,116
Youth and children (including salary)	4,385	10,082	-	-	14,468	13,354
Equipment	3,501	-	-	2,982	6,483	3,738
<i>Church property:</i>						
Insurance	-	-	1,279	-	1,279	1,245
Utilities	-	-	2,687	-	2,687	2,642
Repairs & maintenance	-	-	4,813	-	4,813	4,282
<i>Devonshire House:</i>						
Service charge	1,112	-	-	-	1,112	1,112
Other expenses	60	-	-	-	60	746
<i>New property purchase:</i>						
Property costs (purchase, refurbishment etc.)	-	385	-	-	385	19,621
Mortgage	11,345	-	-	-	11,345	8,509
Rent	980	-	-	-	980	735
Administration and support costs	1,990	-	-	-	1,990	2,066
Cleaning	4,555	-	-	-	4,555	2,610
Kitchen and cleaning supplies	921	-	-	-	921	721
Governance and professional fees	2,100	-	-	-	2,100	2,100
Subscriptions	2,498	-	-	-	2,498	1,923
Sunday Services and other ministries	385	-	-	125	510	296
Telephone	677	-	-	-	677	573
Other	389	-	-	-	389	864
	<u>127,416</u>	<u>10,467</u>	<u>8,779</u>	<u>9,275</u>	<u>155,937</u>	<u>180,818</u>

**3 Grants and gifts paid to others**

<i>Organisations:</i>						
Sutton Schools Work	2,050	-	-	-	2,050	2,050
Sutton Community Works	2,150	-	-	1,252	3,402	4,678
African Child Trust	1,600	-	-	125	1,725	800
South Asian Concern	2,300	-	-	5,444	7,744	800
Tearfund	-	-	-	231	231	4,534
Horizon Church	-	-	-	226	226	5,259
Organisations < £1,000	4,480	-	-	-	4,480	4,430
<i>Individuals</i>	<u>1,100</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,100</u>	<u>650</u>
	<u>13,680</u>	<u>-</u>	<u>-</u>	<u>7,277</u>	<u>20,957</u>	<u>23,202</u>

**CHILTERN CHURCH**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**4 Transactions with related parties**

Alla Lunn, wife of trustee David Lunn, was paid a total of £8,223 [2020: £9,653] as church administrator and as a leader of the church's parent and toddler group. Mr Lunn does not participate in any trustee discussions concerning his wife's employment. This payment is permitted by the Charity Commission.

**5 Movement of funds**

	Opening balance £	Receipts £	Payments £	Transfers £	Closing balance £
General funds	51,438	146,947	(141,096)	(14,989)	42,301
Designated funds					
Property fund	6,420	-	(385)	-	6,035
Tots & Toys	10	4,991	(10,082)	5,102	20
	<u>57,869</u>	<u>151,937</u>	<u>(151,563)</u>	<u>(9,887)</u>	<u>48,356</u>
Restricted funds					
Property Trust	-	1,935	(8,779)	6,844	-
Special Appeals	(296)	7,573	(7,277)	-	-
PA project	-	930	(930)	-	-
Lighting project	-	1,519	-	-	1,519
Chairs	-	2,052	(2,052)	-	-
Roof	-	3,125	(6,168)	3,043	-
Other	-	213	(125)	-	88
	<u>(296)</u>	<u>17,347</u>	<u>(25,331)</u>	<u>9,887</u>	<u>1,607</u>
Total funds	<u>57,573</u>	<u>169,284</u>	<u>(176,894)</u>	<u>-</u>	<u>49,963</u>

The designated Property fund represents monies set aside to assist pastors of the church secure appropriate accommodation in the church area.

The Chiltern Church Property Trust is the original Trust set up in 1958 and limited to the church buildings. In 1963 the trustees signed another trust deed to provide wider powers. The Charity Commission has recognised the second trust as the prime charity with the earlier 1958 trust set up as a linked charity.

The Special Appeals fund relates to donations given for the following charities: African Child Trust, Horizon Church, South Asian Concern, Sutton Community Works and Tearfund.