

Chiltern Church

Report and Accounts

Year ended 31 December 2022

Stewardship 
Active generosity

1 Lamb's Passage, London EC1Y 8AB
www.stewardship.org.uk

CHILTERN CHURCH
LEGAL AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 DECEMBER 2022

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 (resigned January 2023) 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 2022

The Trustees are pleased to submit 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, staff and volunteers

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 governance 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, experiences and ages, whose lives have been changed by the Christian faith. The Church is blessed to have two full-time members of staff, namely the Pastor and the Youth & Worship Pastor, and three part-time staff (Children & Families Leader, Children & Families Worker and Church Administrator). A large proportion of the membership of the church are also involved as volunteers in leading and helping to run the activities of the Church.

Review of Activities

The vision of the Church is for our fellowship to be energised by the love and power of God, to grow as followers of Jesus and share His message of hope with our community, city and world. These three elements are summarised 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.

The year began with church activities substantially constrained by Covid restrictions. However, with the removal of these limitations, activities have renewed in their normal formats as the year has progressed. We are grateful for the expertise and flexibility of staff and volunteers in managing the transition during the year. Attendance at Sunday morning services has grown steadily. Cameo, our seniors' group, and Tots & Toys, our parent and toddlers' group, resumed their very popular programmes. The children's ministry held a very successful holiday club (Courage Castle) in the summer holidays. Our youth ministry (Pursuit) has grown in popularity. Attendance on Friday club nights is now over 30 young people on average, which is ahead of pre-pandemic levels.

Over the pandemic period, the membership of the Church has remained roughly stable with a significant number of persons coming into membership offset by members moving on or passing away. Towards the end of the year, we reorganised and relaunched our small group ministry to accommodate new arrivals, help coordinate the programme and better distribute members and venues. We now have seven Connect Groups meeting regularly that serve over 80 people.

The church premises are used as a community facility for various local initiatives and this usage has grown following the end of Covid restrictions. We have continued to maintain a high standard of maintenance and facilities across all the Church's property. In the summer, extensive renewals were carried out on the flat roof covering the church hall.

Financial Review

Details of the Church's finances are set out in the accompanying accounts. The ending of Coronavirus restrictions was accompanied by significant growth in the church's income. Offerings and donations are the primary source of the church's income, and these grew by over 10% compared with the previous year. This was underpinned by the regular giving of our members and friends by standing order and bank transfer. Income from use of church premises also showed a substantial increase. Increases in income were partially offset by cost increases due to inflation and increased activity and the absence of furlough grants. As noted above, the Church also carried out extensive renewals on the flat roof covering the church hall. This cost over £10k and was funded by generous responses by the congregation to a project appeal.

The Church sets aside 10% of its undesignated donation income and associated gift aid to assist missionaries, charitable organisations and relief projects in the UK and overseas. The amount paid out from this allocation in 2022 exceeded £13k. The Church made a contribution of £1.5k out of this sum to Tearfund's Ukraine appeal. The Church's Christmas Appeal also contributed £1.8K from this allocation split between Sutton Community Work's community food shop, Hope Together and ACT's work in Tanzania. Members and friends also gave substantial funds to these causes.

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 or designated for specific purposes. 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. Following 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 which enables the church to invest in 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 liquid funds 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 organisations 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 on their behalf by:

Susan Legg

Date: 09 June 2023

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 2022 on pages 6 to 9 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: 12 June 2023

CHILTERN CHURCH
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2022

		Unrestricted	Restricted				
	Notes	General Funds £	Designated Funds £	Property Trust £	Other Restricted £	Total 2022 £	Total 2021 £
Income receipts							
Donations		124,344	-	-	15,648	139,992	126,253
Gift aid receipts		24,603	-	-	2,648	27,251	27,787
Government grants		-	-	-	-	-	7,036
Income from charitable activities		4,650	6,716	-	-	11,365	5,490
Income from letting of facilities		-	-	3,245	-	3,245	1,935
Events		184	-	-	-	184	-
Investment income		145	-	-	-	145	18
Other		831	-	-	-	831	766
Total receipts		154,757	6,716	3,245	18,296	183,013	169,284
Payments							
Payments in relation to charitable activities undertaken directly	2	135,051	10,785	9,777	12,696	168,308	155,937
Grants paid in relation to charitable activities undertaken by others	3	-	14,155	-	3,382	17,537	20,957
Total payments		135,051	24,940	9,777	16,078	185,846	176,894
Net of receipts / (payments) before transfers		19,706	(18,224)	(6,532)	2,218	(2,833)	(7,610)
Transfers between funds	5	(33,181)	26,649	6,532	-	-	-
Net movement in funds		(13,475)	8,425	-	2,218	(2,833)	(7,610)
Cash funds as at last year end		42,301	6,055	-	1,607	49,963	57,573
Cash funds at this year end	A	28,826	14,480	-	3,824	47,130	49,963

The notes on pages 8 - 9 form part of these accounts.

CHILTERN CHURCH
STATEMENT OF ASSETS AND LIABILITIES
FOR THE YEAR ENDED 31 DECEMBER 2022

	<u>Unrestricted</u>		<u>Restricted</u>		Total	Total
	General	Designated	Property	Other	2022	2021
	funds	funds	Trust	Restricted		
	£	£	£	£	£	£
A Cash funds						
Bank operating accounts	5,815	-	-	-	5,815	3,610
Bank deposits	22,358	14,480	-	3,824	40,663	45,643
Petty cash and prepaid card	652	-	-	-	652	710
	<u>28,826</u>	<u>14,480</u>	<u>-</u>	<u>3,824</u>	<u>47,130</u>	<u>49,963</u>
B Other monetary assets						
Gift aid due to charity	7,502	-	-	-	7,502	6,530
Other debtors	2,696	-	-	-	2,696	-
	<u>10,198</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,198</u>	<u>6,530</u>
C Liabilities						
Falling due within one year:						
Mortgage	11,559	-	-	-	11,559	11,345
Deferred income	-	-	-	-	-	420
Accounts preparation and independent examination	1,440	-	-	-	1,440	1,380
	<u>12,999</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,999</u>	<u>13,145</u>
Falling due after one year:						
Mortgage	99,677	-	-	-	99,677	106,935
	<u>99,677</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>99,677</u>	<u>106,935</u>
Total	<u>112,676</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>112,676</u>	<u>120,080</u>

The mortgage, secured on a freehold property owned by the church, is repayable over 15 years at a variable rate of interest.

D Assets retained for charity's own use	Value	Value
	2022	2021
	£	£
Freehold and leasehold properties	1,729,935	1,558,500
Contents and equipment	132,516	120,360
	<u>1,862,451</u>	<u>1,678,860</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.

E Investment assets	Value	Value
	2022	2021
	£	£
Investment property (interest in property owned by Mission Housing).	250,473	232,349
	<u>250,473</u>	<u>232,349</u>

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

by Susan Legg date 09 June 2023

The notes on pages 8 - 9 form part of these accounts.

CHILTERN CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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 2022	Total 2021
	General funds	Designated funds	Property Trust	Other Restricted		
	£	£	£	£	£	£
2 Payments in relation to charitable activities undertaken directly						
Ministry employment costs	95,160	-	-	-	95,160	92,102
Building refurbishment costs	-	-	-	10,020	10,020	6,373
Events	2,781	-	-	-	2,781	211
Youth and children (including salary)	6,341	10,785	-	-	17,126	14,468
Equipment	1,208	-	-	400	1,608	6,483
<i>Church property:</i>						
Insurance	-	-	1,437	-	1,437	1,279
Utilities	-	-	4,778	-	4,778	2,687
Repairs & maintenance	-	-	3,562	-	3,562	4,813
<i>Devonshire House:</i>						
Service charge	1,112	-	-	-	1,112	1,112
Other expenses	397	-	-	1,476	1,873	60
<i>New property purchase:</i>						
Property costs (purchase, refurbishment etc.)	-	-	-	800	800	385
Mortgage	11,559	-	-	-	11,559	11,345
Rent	999	-	-	-	999	980
Administration and support costs	2,700	-	-	-	2,700	1,990
Cleaning	5,087	-	-	-	5,087	4,555
Kitchen and cleaning supplies	1,555	-	-	-	1,555	921
Governance and professional fees	2,160	-	-	-	2,160	2,100
Subscriptions	1,983	-	-	-	1,983	2,498
Sunday Services and other ministries	1,191	-	-	-	1,191	510
Telephone	334	-	-	-	334	677
Other	485	-	-	-	485	389
	<u>135,051</u>	<u>10,785</u>	<u>9,777</u>	<u>12,696</u>	<u>168,308</u>	<u>155,937</u>

3 Grants and gifts paid to others

<i>Organisations:</i>						
Sutton Schools Work	-	2,075	-	-	2,075	2,050
Sutton Community Works	-	1,950	-	1,284	3,234	3,402
African Child Trust	-	1,425	-	1,080	2,505	1,725
South Asian Concern	-	825	-	-	825	7,744
Tearfund	-	2,700	-	-	2,700	231
Hope Together	-	900	-	1,018	1,918	-
Horizon Church	-	-	-	-	-	226
Organisations < £1,000	-	3,630	-	-	3,630	4,480
Individuals	-	650	-	-	650	1,100
	<u>-</u>	<u>14,155</u>	<u>-</u>	<u>3,382</u>	<u>17,537</u>	<u>20,957</u>

CHILTERN CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022

4 Transactions with related parties

The spouse of trustee David Lunn, was paid a total of £4,880 [2021: £8,223] 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.

During the year, £9,770 was paid to a company for roofing services. The company is connected by family to a trustee who was not part of the decision-making regarding this appointment.

5 Movement of funds

	Opening balance £	Receipts £	Payments £	Transfers £	Closing balance £
General funds	42,301	154,757	(135,051)	(33,181)	28,826
Designated funds					
Property fund	6,035	-	-	-	6,035
Mission funds	-	-	(14,155)	22,580	8,425
Tots & Toys	20	6,716	(10,785)	4,069	20
	<u>48,356</u>	<u>161,472</u>	<u>(159,991)</u>	<u>(6,532)</u>	<u>43,306</u>
Restricted funds					
Property Trust	-	3,245	(9,777)	6,532	-
Special Appeals	-	3,382	(3,382)	-	-
PA project	-	400	(400)	-	-
Lighting project	1,519	625	-	-	2,144
Property TL	-	800	(800)	-	-
Property DH	-	1,476	(1,476)	-	-
Roof	-	11,613	(10,020)	-	1,593
Other	88	-	-	-	88
	<u>1,607</u>	<u>21,541</u>	<u>(25,855)</u>	<u>6,532</u>	<u>3,824</u>
Total funds	<u>49,963</u>	<u>183,013</u>	<u>(185,846)</u>	<u>-</u>	<u>47,130</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 Lighting project is for an upgrade to the lighting within the church including installation of LED lights

Property funds are for the upkeep and care of the church buildings, and upgrading of church properties to improve insulation and prevent condensation issues.

Funds donated for the Roof fund were put towards the cost of essential repairs to the church roof.

The Special Appeals fund relates to donations given for the following charities: Sutton Community Works, Hope Together and African Child Trust.