

SKT NIKOLAJ DANISH SEAMEN'S CHURCH IN HULL

FINANCIAL STATEMENTS

Year ended

31 DECEMBER 2021

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For the year ended 31 December 2021**

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**Report of the Board of Trustees
For the year ended 31 December 2021**

The Trustees present their report with the financial statements of the Charity for the year ended 31 December 2021.

Reference and Administrative Details of the Charity, its Trustees and Advisers

Name of charity: Skt Nikolaj Danish Seamen's Church

Charity Registration Number: 1120852

Principal Operating Address: 104 Osborne Street
Hull
HU1 2PN

Trustees:

Names of Trustees who served during the year and since the year end were as follows:

Hanne Hamilton
Dorthe Hostick
Merethe Walgate
Anette Gould
Susanne Gilbert
Paul Towle
Graham Gilbert
Peter Aarosin

Independent Examiner:

Katie Sauvage FCCA
Phoenix Accountancy and Business Consultancy Limited
Morley's Cottage
Morley's Yard
Walkergate
Beverley
East Yorkshire
HU17 9BY

**Report of the Board of Trustees
For the year ended 31 December 2021**

Bankers:

NatWest
34 King Edward Street
Hull
HU1 3SS

HSBC Bank Plc
63 Market Place
Beverley
East Yorkshire
HU17 8AL

Investments:

BNY Mellon Fund Managers Ltd
Client Service Centre
PO Box 366
Darlington
DL1 9RF

Structure, Governance and Management

Governing Document:

Skt Nikolaj Danish Seamens Church is a registered charity governed by its Constitution adopted on 6 June 2006 and amended on 11 July 2007. Skt Nikolaj Danish Seamen's Church registered as a charity on 14 September 2007.

The first Skt Nikolaj Church was purchased in 1869 and was the old chapel 'Bethesda' in Osborne Street.

In 1871, on May 9th, a new church was consecrated. During the first World War the Sailors were forbidden to go ashore, so the church had to come to the Sailors.

On May 9th 1941 the church suffered a direct hit by bombs, as did the majority of Hull. On May 9th 1954 a new Skt Nikolaj Danish Seamen's Church was consecrated. This new church was built on Osborne Street and is the one still used today.

**Report of the Board of Trustees
For the year ended 31 December 2021****Recruitment and appointment of Trustees**

The Trustees form the Church Council of the charity. The members of the Church Council are elected at the Annual General Meeting. Nominations for membership of the Church Council must be received by the Secretary 14 days before the date of the Annual General Meeting. The Constitution requires the Church Council to be comprised of:

- 1) Not less than 5 ordinary members, elected at the Annual General Meeting
- 2) The Church's Pastor
- 3) A nominee of DSUK

3 of the elected members of the Church Council must retire each year in rotation but may be re-elected.

Four Trustees are required to make a quorum.

A meeting of the Church Council is empowered to take decisions, when it has convened by 7 days written notice and not less than one half of its numbers are present.

Organisational Structure:

Skt Nikolaj Danish Seamens Church is managed by the Church Council who meet regularly and are responsible for the proper use of the Church and other property and premises that belong to the Church, the strategic direction and policy of the charity.

Risk Management:

Procedures are in place to ensure compliance with health and safety of staff, volunteers, service users and visitors to the Centre.

All procedures are periodically reviewed to ensure that they continue to meet the needs of the charity.

Objectives and Activities for Public Benefit

As set out in the Memorandum of Association, the Charity's objects are to preach the Christian Gospel, to hold Divine services and to conduct Church rites and ceremonies in Danish according to the rules of the Danish National Church.

**Report of the Board of Trustees
For the year ended 31 December 2021****Main objectives for the following year:**

In developing the main objectives for the following year the Trustees have given regard to the Charity Commission guidance on public benefit.

Our main objectives for the following year are:

- 1) To complete the transfer of assets and liabilities to the new Charitable Incorporated Organisation.
- 2) Resume the full range of activities identified in the 2019 Outline Business Plan with the object of achieving financial sustainability by 2025.
- 3) Continue to fulfil the Church's charitable objectives including the holding of church services and the promotion of community interest in Scandinavian culture.

Achievements and Performance**Review of Activities 2021**

Government covid-related restrictions continued well into 2021 limiting the Church's activities and restricting the marketing of its facilities. However, the Church was able to make use of the extension of the Job Retention Scheme. This helped to limit cash outflow enabling us to retain our Centre Manager and to position ourselves for a fuller resumption of activities towards the end of the year.

The Church also used technology to maintain contact with its congregation. Two services were conducted using Zoom and members were also able to share remotely in the London Church's Easter event. At the March service we said farewell to our temporary pastor, Johanne, but the Church continues to benefit from the support of our previous pastor, Arne, who generously gave his time to conduct a service by Zoom in June and a live Harvest service in September.

2021 was also the 150th anniversary of the consecration of the Hull Church's first purpose-built facility. Plans for an appropriate celebration were frustrated by covid but the event was marked by Radio Humberside with a piece from the Centre Manager.

By the middle of the year, easing of restrictions allowed an important return of some traditional activities, Skt Hans was celebrated on June 25th and was followed the next day by a very well-attended lunch in the Church Garden. Coffee afternoons resumed in June and the Church also took part in Hull Heritage Open Days on the 16th-18th September. In November there was a welcome return of the live Christmas market (the previous year had been an on-line event). This annual event provides Church members and neighbours with the opportunity to buy and sample traditional Scandinavian food and seasonal

**Report of the Board of Trustees
For the year ended 31 December 2021**

products, bringing a little touch of Nordic culture to the streets of Hull. Though limited to one day, the Christmas Market was exceptionally well-attended and brought in a significant contribution to the Church's gross and net income. After a two year hiatus, the Lucia event held on the 12th December was also a success and attracted some important sponsorship from local businesses and individuals. Sadly, covid reasserted itself towards the end of the month causing the cancellation of the Christmas service and lunch.

Financial Review

Despite Covid, the range of activities that did prove possible in 2021 not only helped sustain the life of the Church but also saw income rise to just under £33.6k, up £3.1k on the previous year. Operating costs were reasonably well-contained but expenditure was boosted almost £4k by the cost of replacing the double glazing in flat 1. Consequently, net income before transfers remained unchanged at £5.6k.

As in the previous two years the Church provided funds to its sister organisation, Skt Nickolaj Danish Church CIO, to cover the cost of maintaining the administrative support previously provided by the pastor and funded by DSUK. In 2021 the total cost of this item (including £1.3k from 2020) was just over £28k. £12k of this was met by the furlough and an abatement to NI credited directly to the CIO. The remaining £16.4k was met by a transfer from the Church using its surplus for the year and previous years reserves.

As income picks up in future years the need to call on reserves should decrease until full financial sustainability is reached. In the meantime, however, reserves remain strong. Monetary assets at year-end were just short of £89k and the market value of the Church's investments was £39.8k

Following confirmation of the full operability of the CIO's new bank account, the plan to transfer the church's assets into the new CIO is now progressing. All day-to-day transactions are now being recorded in the books of the CIO and the Church's financial reserves will have been fully transferred by the middle of the current year.

Reserves Policy

It is the general policy of the charity to maintain unrestricted funds, which are the free reserves of the charity. Any surplus will be retained in the unrestricted fund to support future running costs.

Plans for Future periods

1) To complete the delayed transfer of all assets and liabilities to the new Charitable Incorporated Organisation.

**Report of the Board of Trustees
For the year ended 31 December 2021****Plans for Future periods (Continued)**

2) To sustain the Church's capacity to provide for divine services according to the traditions of the Danish Church.

It is intended that the church will fund its own future pastoral provision as well as developing cultural activities designed to forge a link between the Church and the wider community. The Church's strategy, staffing arrangements and financial planning reflect this objective.

3) Progress the implementation of the business plan agreed in 2019

As noted above, the covid-19 pandemic has significantly interfered with the Church's plan to achieve financial sustainability. Some important progress has been made however and the underlying plan remains intact. We will progressively assume the full range of activities aimed at raising income, seeking to achieve breakeven within three years. In the interim, any emerging deficits can be more than adequately covered from existing reserves. In developing its plans, the Church will seek to ensure that the commitment to securing additional income complements the Church's primary objective of serving the needs of its congregation whilst promoting and sustaining awareness and understanding of Scandinavian religious and cultural traditions.

Trustees Responsibilities

The Charities Act requires the trustees to prepare financial statements for each financial year. In accordance with the Charity Commission Guidance the Trustees have elected to prepare the accounts on the Receipts and Payments basis. This is an acceptable format for all non-company charities with an income below £250,000.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure of information to Independent Examiner

The Charity has an income between £25,000 and £1m and therefore falls under the Independent Examination regime. We, the Trustees of the Charity who held office at the date of approval of these financial statements, each confirm so far as we are aware, that:

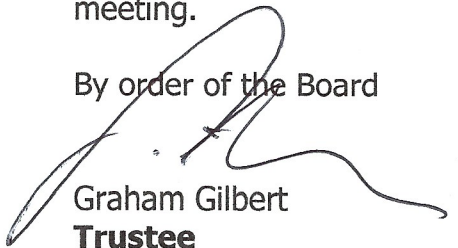
**Report of the Board of Trustees
For the year ended 31 December 2021**

- ⊗ there is no relevant information of which the Charity's Independent Examiner is unaware; and
- ⊗ we have taken all the steps that we ought to have taken as Trustees in order to make ourselves aware of any relevant information and to establish that the Charity's Independent Examiner is aware of that information.

Independent Examiner

A resolution to reappoint Independent Examiner, Katie Sauvage of Phoenix Accountancy and Business Consultancy Limited will be proposed at the forthcoming annual general meeting.

By order of the Board



Graham Gilbert
Trustee

Date: 23/4/22

**Independent Examiner's Report to the Members of
Skt Nikolaj Danish Seamen's Church in Hull**

I report on the accounts of Skt Nikolaj Danish Seamen's Church in Hull for the year ended 31 December 2021, which are set out on pages 11 to 13.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this period under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act;
- to follow the procedures laid down in the General Directions given by the Charity Commissioners under section 145 (5)(b) of the Charities Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention (other than that disclosed below *) in connection with the examination which gives me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 130 of the Act or
- 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.

Katie Sauvage FCCA

Chartered Certified Accountant
Phoenix Accountancy and Business Consultancy Limited
Morley's Cottage, Morley's Yard
Walkergate, Beverley, HU17 9BY



Date:

24 / 05 / 2022.

Receipts and Payments Account
For the year ended 31 December 2021

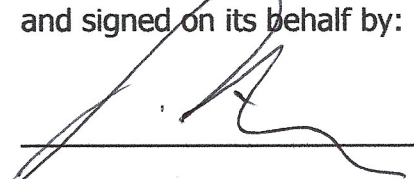
	Notes	2021	2020
		Total Funds	Total Funds
		£	£
RECEIPTS	1 & 2		
Sales		2,082	1,338
Parking		573	1,543
Language Schools		122	307
Church Services – Other		-	-
Christmas Market		10,480	7,090
Room Hire		947	1,592
Donations		1,603	503
Interest Received		7	66
Flat Rent		16,200	16,867
Sundry		-	95
DCF Subscriptions		270	125
DCF Donations		710	400
DCF Other Income		584	479
		33,578	30,405
PAYMENTS			
Purchases		127	149
Christmas Market		7,185	4,914
DCF Event Costs		990	259
Rent and Rates		-	437
Heat Light and Power		4,067	5,122
Motoring		-	-
Travelling and Entertainment	4	189	93
Telephones, Printing and Stationery		1,477	1,844
Accounts Fees		400	400
Insurance		538	525
Maintenance		9,029	7,196
Bank Charges Card Sales		941	1,060
Costs in relation to rental premises		2,719	2,638
General Expenses		272	141
DCF Other Costs		-	-
		27,934	24,778
Net Surplus/(Deficit) for the period		5,644	5,627
Cash & Bank Balances brought forward		99,682	103,430
Transfer to Skt. Nickolaj Danish Church CIO	5	(16,392)	(9,375)
Cash and Bank Balances carried forward		88,934	99,682

The notes on page 13 form part of these financial statements.

Statement of Assets and Liabilities
As at 31 December 2021

	Notes	2021 £	2020 £
Monetary Assets			
NatWest Current Account		9,979	11,308
NatWest Account D/R (*842)		65,311	75,304
Cash and Floats		100	100
DCSF Current Account		8,742	7,934
DCSF Business Money Manager Account		4,508	4,508
DCSF Cash		294	528
Total Monetary Assets		88,934	99,682
Comprising:			
Unrestricted Funds		88,934	99,682
Restricted Funds		-	-
		88,934	99,682
Non Monetary Assets and Liabilities			
Fixed Assets for the Charity's use (at cost unless otherwise stated)			
Investments (At market value)		39,796	33,578
Office Equipment		380	380
Fixtures and Fittings		1,413	1,413
Other Equipment		515	515
		42,104	35,886
Debtors			
Sundry Debtors		-	-
Creditors			
Accounts Fee		(400)	(400)
		(400)	(400)

These financial statements were approved by the committee on 23/4/22 (date)
 and signed on its behalf by:



Graham Gilbert, Treasurer

The notes on pages 13 form part of these financial statements.

**Notes to the Financial Statements
For the year ended 31 December 2021****Notes****1 Basis of Preparation**

These accounts have been prepared on a receipts and payments (R&P) basis in line with charity commission guidance for a charity of this size.

The comparative figures relate to the year ending 31 December 2020.

2 Fund Accounting

All income and expenditure is unrestricted.

3 Taxation

Skt. Nikolaj Danish Seamen's Church is a registered charity, registration number 1120852. All the Charities' income is applied to its charitable objectives and the association is therefore exempt under current legislation from most forms of taxation.

4 Trustee Remuneration

No Remuneration was paid to Trustees during the year out of the funds of the charity.

There was reimbursement of travel expenses amounting to £189 to 1 Trustees (2020: £93 to 1 Trustee) in respect of the year.

The withdrawal of pastoral support previously provided by the Danske Soemands og Udlandskirker (DSUK) has meant that during the year the flat that was previously provided to the Pastor, who was a Trustee, at nil cost was no longer required and therefore has been let out on a commercial basis. In 2019, One Trustee was provided living accommodation and utilities by the Charity at nil cost

5 Transfer to Skt. Nickolaj Danish Church CIO

The charity is still in the process of finalising the transfer to the Charitable Incorporated Organisation (CIO) (charity no: 1185236), however this has been further delayed due to the Covid-19 pandemic. All receipts and payments on behalf of the CIO have been recorded as a transfer to the CIO and will be accounted for by the CIO. It is anticipated that all assets and liabilities will be transferred in the next accounting period.