

Company number 6849860
Charity number 1129661

The Church Renewal Trust
(A charitable company limited by guarantee)
Trustees' report and
Consolidated Financial Statements
For the year ended 31 December 2021

Consolidated Financial Statements
For the year ended 31 December 2021

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Trustees' Report

For the year ended 31 December 2021

The trustees, who are also directors of The Church Renewal Trust for the purposes of the Companies Act, are pleased to submit their annual report and audited financial statements for the year ended 31 December 2021. The trustees have adopted the provisions of the Statement of Recommended Practice "Accounting and Reporting by Charities" Charities SORP (FRS 102), the Companies Act 2006 and applicable UK accounting standards in preparing the annual report and financial statements of the charity.

Reference and Administrative Information

Full name of charity	The Church Renewal Trust
Trustees	Reverend N P G Gumbel Miss P M Neill Mr J A Jennings Reverend M Layzell
Secretary	Mr J Shippen
Company number	6849860
Charity number	1129661
Registered office and address	Holy Trinity Brompton, Brompton Road, London, SW7 1JA
Bankers	National Westminster Bank, 186 Brompton Road, Knightsbridge, SW3 1HL
Independent Examiner	Moore Kingston Smith LLP

Structure, Governance and Management

The Church Renewal Trust (CRT) is governed by its Memorandum and Articles of Association and is constituted as a company limited by guarantee (number 6849860) and a registered charity (number 1129661).

New trustees of CRT are appointed by the existing trustees who are also the members. New trustees are provided with guidance notes explaining their role and responsibilities as trustees of the charity. All new trustees are fully briefed on the activities and vision of CRT. The board met formally once during the year to discuss strategic matters and approve the 2020 annual accounts. Outside of this meeting there was regular contact between all trustees.

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'Public benefit: running a charity (PB2)'. The trustees believe that CRT is providing a public benefit by keeping open churches as places of public worship and as centres for community activities which benefit individuals and society as a whole.

Objectives and Activities

The vision of The Church Renewal Trust is to see church buildings kept open, renewed and alive as places of worship, teaching and other services for the local community.

The main activity of CRT is to hold leases of church buildings that are at risk of leaving ecclesiastical use; to renew them by repair and refurbishment and then lease them on (at a peppercorn rent) for suitable church purposes, such as establishing a vibrant worshipping community, providing theological teaching and other related activities around the hub of a church, thus securing the ecclesiastical use for future generations.

Incorporation: CRT was incorporated on 17 March 2009 and registered as a charity shortly thereafter. Thus far two Church leases have been taken on.

Subsidiary: On 8 March 2010 CRT acquired the sole share in Holy Trinity Brompton Developments Ltd (HTBDL) for £1. HTBDL is a private limited company registered in England and Wales (registered number 5559730). In August 2009 CRT entered into a design and build contract with HTBDL for the refurbishment of St Jude's church. This contract was completed during 2015, and HTBDL is currently dormant.

Trustees' Report

For the year ended 31 December 2021

Achievements and Performance

The charity has completed the repair and restoration of the spire and tower at St Jude's Courtfield Gardens at the end of 2018 which was identified as needing urgent repairs late in 2016. This was funded by gifts received from St Paul's Theological Centre (SPTC), Holy Trinity Brompton (HTB), Chelmsford and London Dioceses, AllChurches Trust, and from congregation members. Loans totalling £450,000 were granted by the London Diocesan Fund (LDF) (see Note 5), and bridging finance provided by HTB.

The two building leases currently held by CRT (St Peter's, Brighton and St Jude's, Courtfield Gardens) continue to facilitate excellent charitable work;

St Peter's, Brighton: This magnificent church, known as "the Cathedral of Brighton" sits on a prominent island between the two main highways into the city centre. Having been made redundant and due for closure, friends of the church staged a campaign to keep it open culminating in an agreement to award a lease to CRT. In 2009 a new parish was created and a plant from Holy Trinity Brompton joined the tiny remnant of a congregation. Former HTB curate, Archie Coates, was made vicar and around fifty of the HTB congregation joined him and his family in Brighton. St Peter's Brighton now has a thriving worshipping community of around 1,400, and runs numerous community courses, a homeless shelter, a debt advice centre and a food bank. St Peter's planted its first church, Holy Trinity in Hastings, in 2015 and there have been six other church plants from St Peter's since then.

St Jude's, Courtfield Gardens: The refurbishment of St Jude's (a grade I listed building), as a theological college, was completed towards the end of 2012. The building now comprises office space, a multi-purpose church space, lecture rooms, meeting rooms and a library. The building is occupied by St Mellitus College & St Paul's Theological Centre which provides degree and other theological education for ordinands and lay students. Student numbers continue to grow and the college is fulfilling its vision of equipping next-generation church leaders with the knowledge and practical skill to enrich their lives and guide others. Repair and restoration work for the St Jude's spire was started in 2017 and continued throughout 2018. The project is now complete, having cost just over £1.5m.

Future Plans and Objectives

In the coming year, CRT will be open to taking on leases on redundant church buildings to contribute towards the restoration and renewal of the buildings and the communities that worship and serve there.

Financial Review

Results for the Year

CRT group recorded a shortfall on unrestricted funds of £185,939 (2020: £119,218) and net income on restricted funds of £225,000 (2020: £Nil) to give a total income of £39,061 (2020 deficit: £119,218). Cash in hand at the end of the year for the group and charity was £134,243 (2020: £17,167). The net current asset for 2021 is £82,005 (2020 liability: £35,485) which relates to the repair work on the St Jude's spire tower. This project was carried out between 2017 and 2018 at a total cost of just over £1.5m. Nearly £800K of donations were raised to fund the repair works, leaving a shortfall of circa £700K. An agreement was signed with St Paul's Theological Centre (SPTC) - the main user of the building - in December 2018 whereby SPTC will pay an annual service charge of £70,000 per annum for ten years to offset the remaining unfunded cost of these repairs. These annual payments commenced in 2019. During 2021, the board made a decision to pause these commitments until 2024, having received a gift of £225,000 from St Mellitus College towards the repayment of the outstanding loans.

General Funds & Reserve Policy

It is the policy of the trustees not to build up reserves beyond the operating needs of the charity. The majority of the work of CRT consists of capital projects and supporting church plants, and each project will be financed by a targeted fundraising campaign. The CRT group has a shortfall on free reserves of £238,905 (2020: £409,346) and a designated fund of £7,541,994 (2020: £7,673,374) in respect of the St Jude's development work. This designated fund is equal to the net book value of the leasehold improvements at St Jude's less loans taken out to finance the works - which represents funds invested in this project.

The shortfall on free reserves is the result of a shortfall on funds raised versus costs incurred on the St Jude's repair project as at 31 December 2021. The charity's mitigations against this temporary position are:

1. The service charge agreement with St Paul's Theological Centre (SPTC) which was agreed in December 2018. SPTC was originally due to pay CRT £70,000 a year for ten years (2019-2028) as a service charge towards the cost of the repairs to the spire, but this has been paused until 2024 given the St Mellitus College donation in 2021.
2. The intercompany loan from HTB (£370,910 at 31 December 2021). This loan carries neither interest nor repayment terms, with the intention being that CRT will repay the London Diocese loan and the HTB loan from future service charge receipts from SPTC.
3. The PCC of HTB have underwritten both capital and interest on the remaining loan to CRT from the London Diocese.
4. The London Diocese has pledged a £250k donation towards the Church Renewal Trust, contingent on successful sale of a property which they own. Completion expected in April 2022.

Trustees' Report

For the year ended 31 December 2021

Specified Funds

Specified funds comprise the unused element of donations given for specific purposes. At 31 December 2021 these totalled £Nil (2020: £Nil).

Policy on Grants

The board's policy is to pursue its charitable objects by making supportive grants and loans to churches or to charities with similar objects, which have planted a new church or plan to do so. No grants were awarded in 2021.

Related Parties

For related party details please refer to note 11.

Trustees' Responsibilities

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the surplus or deficit of the company for that period. In preparing these accounts, the trustees are required to:

- 1 select suitable accounting policies and then apply them consistently;
- 2 comply with applicable accounting standards, including FRS 102, subject to any material departures disclosed and explained in the financial statements;
- 3 state whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements;
- 4 make judgements and estimates that are reasonable and prudent;
- 5 prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

Risk Management

The trustees have conducted a review of the major risks to which the charity is exposed. A risk register has been established and is updated at least annually. Where appropriate, systems and procedures have been established to mitigate the risks that the charity faces. The schedule of major risks and mitigations identified by the board is set out below.

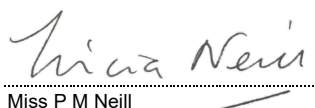
Major Risks and Uncertainties

Potential Risk	Mitigation
Lack of formal contractual relationships between CRT, St Paul's Theological Centre and St Mellitus College over the St Jude's building results in increased liability and financial risk.	Contract discussions to be continued with St Paul's Theological Centre so that SPTC bears responsibility for the repair and upkeep of the building. SPTC has agreed a 10 year service charge relating to the spire repair works.
Operating with negative free reserves may result in going concern issues.	The service charge agreement with SPTC, the informal loan from HTB (together with HTB's underwriting of the London Diocese loan), the £225k received from St Mellitus College in 2021 and the £250k pledge from the London Diocese (contingent on sale of property they own), mitigate this risk.

The trustees have considered the potential impact of the coronavirus pandemic on CRT's operations, and the various measures taken to contain it. Given that the main activity of CRT is to hold leases of church buildings, there has been no impact on current activities or future aims of the charity. The trustees are keeping the potential financial effect under review and, given the service charge agreement with SPTC and the informal loan from HTB, believe CRT will continue to fulfil all contractual obligations and remain in operation for the foreseeable future. Refer to Note 1 for details on our going concern assessment.

This report is prepared in accordance with the Special Provisions of the Companies Act relating to small companies.

By order of the board



Miss P M Neill

Date: 13 April 2022

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2021.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ("the 2006 Act").

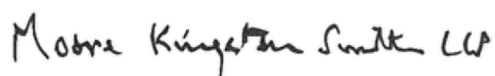
Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the 2011 Act ("the 2011 Act"). In carrying out my examination I have followed the 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 matters have come to my attention in connection with the examination giving me cause to believe:

- 1) accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
- 2) the accounts do not accord with those records; or
- 3) the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
- 4) the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities.

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.



James Cross, FCA,
For and on behalf of Moore Kingston Smith LLP

Devonshire House,
60 Goswell Road,
London EC1M 7AD

Date 19 April 2022

The Church Renewal Trust

Consolidated Statement of Financial Activities

For the year ended 31 December 2021

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
<u>Income</u>							
Donations and legacies							
Donations including Gift Aid		-	225,000	225,000	-	-	-
Interest received		7	-	7	-	-	-
Grant & Other Income		-	-	-	12	-	12
		<u>7</u>	<u>225,000</u>	<u>225,007</u>	<u>12</u>	<u>-</u>	<u>12</u>
Property related income		-	-	-	70,000	-	70,000
Total charitable income		<u>7</u>	<u>225,000</u>	<u>225,007</u>	<u>70,012</u>	<u>-</u>	<u>70,012</u>
<u>Expenditure</u>							
Expenditure on charitable activities							
Project Costs	2a	2,220	-	2,220	4,631	-	4,631
Operating and Governance costs	2b	183,726	-	183,726	184,599	-	184,599
		<u>185,946</u>	<u>-</u>	<u>185,946</u>	<u>189,230</u>	<u>-</u>	<u>189,230</u>
Net income/(expenditure)		<u>(185,939)</u>	<u>225,000</u>	<u>39,061</u>	<u>(119,218)</u>	<u>-</u>	<u>(119,218)</u>
Transfer from restricted to unrestricted funds		225,000	(225,000)	-	-	-	-
Movement in funds		<u>39,061</u>	<u>-</u>	<u>39,061</u>	<u>(119,218)</u>	<u>-</u>	<u>(119,218)</u>
Funds brought forward		7,264,028	-	7,264,028	7,383,246	-	7,383,246
Funds carried forward at 31 December 2021		<u>7,303,089</u>	<u>-</u>	<u>7,303,089</u>	<u>7,264,028</u>	<u>-</u>	<u>7,264,028</u>

All amounts are derived from continuing operations. The company has no recognised gains and losses other than the net movement in funds for the period shown above. No salaries were paid to either staff or trustees in either years.

The notes on pages 8 to 13 form part of these financial statements.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The Church Renewal Trust

Consolidated and Charity Balance Sheet

As at 31 December 2021

		CRT Group		CRT Charity	
	Note	2021 £	2020 £	2021 £	2020 £
FIXED ASSETS					
Leasehold Improvements	3	7,616,994	7,798,374	7,844,962	8,031,902
CURRENT ASSETS					
Cash at bank and in hand	4	134,243	17,167	134,243	17,167
Total current assets		134,243	17,167	134,243	17,167
LIABILITIES:					
AMOUNTS FALLING DUE WITHIN ONE YEAR	5	(52,238)	(52,652)	(52,238)	(52,652)
ASSETS/(LIABILITIES)		82,005	(35,485)	82,005	(35,485)
LIABILITIES: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	5	(395,910)	(498,861)	(395,910)	(498,861)
NET ASSETS		7,303,089	7,264,028	7,531,057	7,497,556
FUNDS					
Unrestricted	7	(238,905)	(409,346)	(238,905)	(409,346)
Designated fund	9	7,541,994	7,673,374	7,769,962	7,906,902
Restricted	8	-	-	-	-
		7,303,089	7,264,028	7,531,057	7,497,556

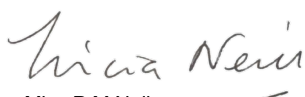
The total income of the parent charity for the year was £225,007 (2020: £70,012) and its net result was income of £33,501 (2020 deficit: £124,778).

For the financial year in question, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006. The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

This report is prepared in accordance with the Special Provisions of the Companies Act relating to small companies.

The notes on pages 8 to 13 form part of these accounts.

Approved by the board on 13 April 2022 and signed on its behalf by:



Miss P M Neil

Trustee

Company number 6849860

Charity number 1129661

The Church Renewal Trust

Consolidated Statement of Cashflows For the year ended 31 December 2021

	2021 £	2020 £
Net cash inflow from operating activities (see note below)	220,027	62,240
Cash flows from financing activities		
Net receipt / (repayment) of loans	(102,951)	(63,813)
Net increase / (decrease) in cash & cash equivalent after financing	117,076	(1,573)
Increase / (decrease) in cash and cash equivalents	117,076	(1,573)
Cash and cash equivalents brought forward	17,167	18,740
Cash and cash equivalents carried forward	134,243	17,167

Note to cash flow statement

	2021 £	2020 £
Cash flow from operating activities		
Net operating income / (expenditure) (per SOFA)	39,061	(119,218)
Depreciation and amortisation charges	181,380	181,380
(Decrease) / increase in creditors	(414)	78
Net cash inflow from operating activities	220,027	62,240

NET DEBT RECONCILIATION

	Notes	1 January 2021	Cash flows	Other movements	31 December 2021
Cash at bank and in hand	4	17,167	117,076	-	134,243
Loans	5	(548,861)	85,000	17,951	(445,910)
Net debt		<u>(531,694)</u>	<u>202,076</u>	<u>17,951</u>	<u>(311,667)</u>

The Church Renewal Trust

Notes to the financial statements For the year ended 31 December 2021

1. ACCOUNTING POLICIES

The Church Renewal Trust is a public benefit entity for the purposes of FRS 102 and therefore the charity also prepared its financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP), Companies Act 2006, and the Charities Act 2011.

The statement of financial activities (SOFA) and balance sheet consolidate the financial statements of the charity (The Church Renewal Trust) and its wholly owned subsidiary undertaking, Holy Trinity Brompton Developments Ltd for the year 2021. The subsidiary was dormant during the year under review. No separate statement of financial activities has been presented for the charity alone as permitted by Section 408 of the Companies Act 2006 and the FRS 102 charity SORP.

The financial statements are prepared in sterling, which is the functional currency of the charity and company. Monetary amounts in these financial statements are rounded to the nearest pound.

Funds

General funds represent the funds of the charity that are not subject to any restrictions regarding their use and are available for application on the general purposes of the charity. Funds designated for a particular purpose by the charity are also unrestricted. The accounts include all transactions, assets and liabilities for which the charity is responsible in law.

Restricted funds arise where the donor has specified which area of activity they wish to be supported by their gift. The charity is not at liberty to utilise these funds to support other activity without the express permission of the donor.

The accounts include all transactions, assets and liabilities for which the charity is responsible in law.

Going Concern

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions, including those as a result of the coronavirus pandemic, that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees do not believe there to be any coronavirus related impact on the charity's current activities or future aims. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular, the trustees have considered the charity's forecasts and projections and have taken account of the unexpected additional cost of the major repairs required to the charity's leasehold premises.

The trustees have assessed the going concern of CRT in light of the negative unrestricted undesignated funds. The deficit on free reserves is the result of a mismatch between costs and donations for the St Jude's spire project as at 31 December 2021. As highlighted in the Trustees Annual Report, the charity's mitigations against this temporary position are:

1. The service charge agreement with St Paul's Theological Centre (SPTC) for £70,000 per annum originally for the forthcoming ten years which has been paused until 2024 given the St Mellitus donation in 2021.
 2. The intercompany loan from HTB (£370,910 at 31 December 2021) which carries neither interest nor repayment terms.
 3. The PCC of HTB have underwritten both capital and interest on the loans to CRT from the London Diocese.
 4. The London Diocese has pledged a £250k donation towards CRT, contingent on successful sale of property they own.
- The trustees have therefore concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

Income

Voluntary income and capital sources

Donations receivable are recognised only when the charity is notified of its legal entitlement, the amount due is quantifiable and its ultimate receipt by the charity is probable. Income tax recoverable on Gift Aid donations is recognised when the donation is recognised.

Expenditure

Expenditure is charged to the statement of financial activities as it falls due, and is analysed according to its nature between the following categories: Project Costs, Operating and Governance Costs and Grants outwards.

Grants

Grants are made to charitable organisations continuing activities which accord with the objects of The Church Renewal Trust, and are accounted for when due. All grants are made at the discretion of the board.

Fixed Assets

Costs related to the Leasehold Improvements are capitalised as incurred.

Assets are depreciated on a straight line basis over their estimated useful lives. The periods used are as follows:

Leasehold Improvements 50 years

Depreciation has been charged on the leasehold improvements from the date they are brought into use.

The carrying values of tangible fixed assets are reviewed for impairment in periods when events or changes in circumstances indicate the carrying value may not be recoverable.

Current Assets

Amounts owing to the charity at 31 December are shown as debtors, after providing for amounts that it is thought may prove uncollectable.

Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

The Church Renewal Trust

Notes to the financial statements For the year ended 31 December 2021

Financial Instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

With the exceptions of prepayments and deferred income, all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See notes 4 and 6 for the debtor and creditor notes.

Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably.

Critical Accounting Estimates and Areas of Judgement

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgement and estimate is considered by the trustees to have the most significant effect on amounts recognised in the financial statements:

Useful Economic Lives

The annual depreciation charge for leasehold improvements is sensitive to change in the estimated useful economic lives and residual values of assets. These are reassessed periodically and amended where necessary to reflect current circumstances.

2. EXPENDITURE

	CRT Group		CRT	
	2021 £	2020 £	2021 £	2020 £
a) Project Costs				
Interest paid	2,220	4,631	2,220	4,631
b) Operating and Governance Costs				
Independent Examiner's (2020 -Auditor's) remuneration: current year	2,238	2,652	2,238	2,652
Under accrual for prior year	0	498	0	498
	2,238	3,150	2,238	3,150
Bank Charges	108	69	108	69
Depreciation for the year	181,380	181,380	186,940	181,380
	183,726	184,599	189,286	184,599

3. TANGIBLE FIXED ASSETS

		CRT Group Leasehold Improvements £	CRT Leasehold Improvements £
Cost	Cost b/f at 1 January 2021	9,069,005	9,347,014
	Additions	-	-
	Closing Balance at 31 December 2021	9,069,005	9,347,014
Depreciation	Depreciation b/f at 1 January 2021	1,270,631	1,315,112
	Depreciation for the year	181,380	186,940
	Depreciation c/f 31 December 2021	1,452,011	1,502,052
Net Book Value	At 31 December 2020	7,798,374	8,031,902
	At 31 December 2021	7,616,994	7,844,962

Leasehold improvements relate to the alteration and repair of St Jude's Church. The lease is held for a 125-year period commencing 1 July 2009.

The St Jude's tower and spire was brought into use on the 1st January 2019. The total amount of costs to complete the project amounted to £1,508,603 (including VAT which the charity has claimed back, where allowed, from the Listed Places of Worship Grant Scheme).

4. CASH AT BANK AND IN HAND

		CRT Group	CRT
		2021 £	2020 £
		134,243	17,167
Balance at bank and in hand		134,243	17,167

The Church Renewal Trust

Notes to the financial statements For the year ended 31 December 2021

5. CREDITORS

Amounts falling due within one year:

	CRT Group 2021 £	2020 £	CRT 2021 £	2020 £
Accruals	2,238	2,652	2,238	2,652
LDF loans	50,000	50,000	50,000	50,000
	52,238	52,652	52,238	52,652

Amounts falling due after more than one year:

	CRT Group 2021 £	2020 £	CRT 2021 £	2020 £
LDF loans	25,000	75,000	25,000	75,000
Amounts owed to Holy Trinity Brompton	370,910	423,861	370,910	423,861
	395,910	498,861	395,910	498,861

HTB liaised with the contractors for the repair and restoration works at St Jude's, and all amounts paid by HTB were charged through to CRT. These amounts are shown in creditors above. There is neither an interest rate nor repayment terms attached to this outstanding balance owing to HTB (which is largely as a result of the repair and restoration work).

A loan agreement with the London Diocese was signed in 2017 and £250,000 was drawn down in February 2018. The loan bears an interest rate of 2% over Bank of England base rate (0.10% at the end of 2021). The loan was for the sole purpose of repair of St Jude's spire and tower and is underwritten entirely by the PCC of HTB. The repayment schedule ends in 2023 and £75,000 remains outstanding at the year end.

6. SUBSIDIARY

On 8 March 2010 CRT acquired the sole share in Holy Trinity Brompton Developments Ltd (HTBDL), a private limited company registered in England and Wales (registered number 5559730). HTBDL has no contracts in progress and was dormant throughout the current and previous year. Its total capital and reserves are £nil.

7. ANALYSIS OF NET ASSETS BY FUND

	CRT Group	Unrestricted funds £	Designated funds £	Restricted funds £	Total funds £
2021					
Fixed Assets		-	7,616,994	-	7,616,994
Current assets		134,243	-	-	134,243
Current liabilities		(2,238)	(50,000)	-	(52,238)
Long-term liabilities		(370,910)	(25,000)	-	(395,910)
Fund balance		(238,905)	7,541,994	-	7,303,089
	CRT	Unrestricted funds £	Designated funds £	Restricted funds £	Total funds £
2021					
Fixed Assets		-	7,844,962	-	7,844,962
Current assets		134,243	-	-	134,243
Current liabilities		(2,238)	(50,000)	-	(52,238)
Long-term liabilities		(370,910)	(25,000)	-	(395,910)
Fund balance		(238,905)	7,769,962	-	7,531,057
	CRT Group	Unrestricted funds £	Designated funds £	Restricted funds £	Total funds £
2020					
Fixed Assets		-	7,798,374	-	7,798,374
Current assets		17,167	-	-	17,167
Current liabilities		(2,652)	(50,000)	-	(52,652)
Long-term liabilities		(423,861)	(75,000)	-	(498,861)
Fund balance		(409,346)	7,673,374	-	7,264,028
	CRT	Unrestricted funds £	Designated funds £	Restricted funds £	Total funds £
2020					
Fixed Assets		-	8,031,902	-	8,031,902
Current assets		17,167	-	-	17,167
Current liabilities		(2,652)	(50,000)	-	(52,652)
Long-term liabilities		(423,861)	(75,000)	-	(498,861)
Fund balance		(409,346)	7,906,902	-	7,497,556

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8. RESTRICTED FUNDS

CRT Group	2021 b/fwd	2021 Income	2021 Expenditure	2021 Transfer from Restricted to Unrestricted funds	2021 Closing Balance
	£	£	£	£	£
St Jude's, Courtfield Gardens	-	225,000	-	(225,000)	-
	-	225,000	-	(225,000)	-

CRT	2021 b/fwd	2021 Income	2021 Expenditure	2021 Transfer from Restricted to Unrestricted funds	2021 Closing Balance
	£	£	£	£	£
St Jude's, Courtfield Gardens	-	225,000	-	(225,000)	-
	-	225,000	-	(225,000)	-

The St Jude's Courtfield Gardens fund relates to donations which have been given specifically for the building renewal work undertaken. As the funds are utilised a transfer is made to a designated fund set up for the purpose.

9. DESIGNATED FUNDS

CRT Group	2021 B/fwd	2021 Income	2021 Transfer to Unrestricted from Designated fund	2021 Closing balance
	£	£	£	£
St Jude's, Courtfield Gardens Fund	7,673,374	-	(131,380)	7,541,994
	7,673,374	-	(131,380)	7,541,994

CRT	2021 B/fwd	2021 Income	2021 Transfer to Unrestricted from Designated fund	2021 Closing balance
	£	£	£	£
St Jude's, Courtfield Gardens Fund	7,906,902	-	(136,940)	7,769,962
	7,906,902	-	(136,940)	7,769,962

CRT Group	2020 B/fwd	2020 Income	2020 Transfer to Unrestricted from Designated fund	2020 Closing balance
	£	£	£	£
St Jude's, Courtfield Gardens Fund	7,724,773	-	(51,399)	7,673,374
	7,724,773	-	(51,399)	7,673,374

CRT	2020 B/fwd	2020 Income	2020 Transfer to Unrestricted from Designated fund	2020 Closing balance
	£	£	£	£
St Jude's, Courtfield Gardens Fund	7,963,861	-	(56,959)	7,906,902
	7,963,861	-	(56,959)	7,906,902

A total profit of £278,009 arose from the cost-plus contract between CRT and HTBDL from 2009-2015. This margin has been capitalised in the charitable company accounts as part of the cost of leasehold improvements and depreciated over the lease term. This margin has been eliminated in the consolidated accounts. Correspondingly the transfer to designated funds in respect of the leasehold improvements and their depreciation includes the margin in the charitable company and excludes it in the group accounts.

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Notes to the financial statements For the year ended 31 December 2021

10. COMMITMENTS

CRT holds a 125-year lease on the church building, St Jude's Courtfield Gardens from the Diocese of London. This building is used as a theological college by St Paul's Theological Centre and St Mellitus College Trust.

CRT holds a 125-year lease from The Chichester Diocesan Fund & Board of Finance, at a peppercorn rent, on St Peter's, a large church in the centre of Brighton. The building has been leased at a peppercorn rent, to the Anglican Parish of St Peter's Brighton.

11. RELATED PARTIES

Trustee remuneration:

No trustees were paid any remuneration nor were there any reimbursed expenses claimed by the trustees in either 2021 or 2020.

Trustee & Members	Related Directorships/Trusteeship	Remuneration for non-trustee services	Related Party payment	Notes
Miss Tricia Neill	Alpha International (Trustee), Church Revitalisation Trust (Trustee), Holy Trinity Brompton Developments Limited (Director and Member) and St Paul's Theological Centre (Member).	£Nil (2020: £Nil)	£Nil (2020: £Nil)	None
Reverend Nicky Gumbel	Alpha International (Trustee, Member and Chair of the Board), Holy Trinity Brompton (Trustee and Chair of PCC), Church Revitalisation Trust (Trustee, Member and Chair of the Board), Holy Trinity Brompton Developments Limited (Director and Member), St Paul's Theological Centre (Trustee, Member and Chair of the Board) and St Mellitus College Trust (Trustee).	£Nil (2020: £Nil)	£Nil (2020: £Nil)	None
Mr J A Jennings	Alpha International (Member), Holy Trinity Brompton Developments Limited (Director and Member) and St Paul's Theological Centre (Trustee).	£Nil (2020: £Nil)	£Nil (2020: £Nil)	None
Reverend Martyn Layzell	Holy Trinity Brompton Developments Limited (Member).	£Nil (2020: £Nil)	£Nil (2020: £Nil)	None

Related party transactions:

Related parties	Income	Expenditure	Balance owing to/(from) CRT at year end	Notes
HTB	Donation to CRT £Nil (2020: £Nil)	None	(£370,910) (2020: (£423,861))	HTB managed the costs related to the St Jude's spire repair and restoration in 2017 - 2018 and these are charged through to CRT. As outlined in Note 5, HTB has underwritten the loans from the London Diocese.
HTBDL	Donation of £Nil (2020: £Nil)	None	£Nil (2020: £Nil)	On March 8 2010 CRT acquired the sole share of HTBDL.
SPTC	Service charge to CRT £Nil (2020: £70,000)	None	£Nil (2020: £Nil)	In December 2018, SPTC made a commitment to pay £70,000 a year for 10 years (commencing 2019) as a service charge to CRT to fund the deficit on the St Jude's spire restoration project. This has been paused until 2024 given the donation from SMC (see below).
SMC	Donation to CRT £225,000 (2020: £Nil)	None	£Nil (2020: £Nil)	SMC donated towards the St Jude's spire tower repair and restoration.

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12. CONTINGENT ASSET

The London Diocese has pledged a £250k donation towards the Church Renewal Trust, contingent on successful sale of property they own. The trustees believe that a favourable outcome is probable, however this has not been recognised as a receivable at 31 December 2021 as receipt of the donation is dependent on the occurrence of the sale.

13. SERVICE CHARGE INCOME

On 14 December 2018, the SPTC board agreed to pay CRT for the unfunded costs of the St Jude's spire repair work. These payments could be accelerated at the SPTC board's discretion, however the original intent was for SPTC to pay CRT £70,000 per annum, over a period of 10 years starting in 2019. During 2021, the board made a decision to pause these commitments until 2024, given the £225,000 gift received by SMC (disclosed in note 11). The contingent asset (disclosed in note 12 above) has the potential to further reduce SPTC's service charge commitment to end mid 2025, although at this stage no adjustment has been made and the current expected timescale is ending in 2028, as follows:

	CRT Group		CRT	
	2021	2020	2021	2020
	£	£	£	£
Not later than one year	-	70,000	-	70,000
Later than one year but not later than five years	210,000	280,000	210,000	280,000
Later than five years	125,000	210,000	125,000	210,000
	335,000	560,000	335,000	560,000

14. POST BALANCE SHEET EVENTS

There have been no post balance sheet events for The Church Renewal Trust for the year ended 31 December 2021.