



**Central United Reformed Church, Sheffield, Charity**

**Charity Number 1130271**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 DECEMBER 2020**

**Version 1.0 (Final)**

CONTENTS

1	Church Information.....	3
1.1	Address: .....	3
1.2	Registered Charity Number .....	3
1.3	Trustees of the Charity .....	3
1.4	Bankers .....	3
2	Annual Trustees' Report for the Year Ending 31 December 2020 .....	4
2.1	Objectives and Activities of Central United Reformed Church.....	4
2.2	Review of Achievements and Performance .....	5
2.3	Financial Review.....	6
2.4	Structure, Governance and Management .....	7
3	Statement of Financial Activities (Year Ending 31 <sup>st</sup> December 2020) .....	8
	Income and Expenditure .....	8
4	Balance Sheet .....	9
5	Appendix: Notes to the Financial Statements.....	10
	Note 1. Principal Accounting Policies.....	10
	Note 2. Offerings.....	12
	Note 3. Donations and Sundry Income.....	12
	Note 4. Ministry.....	12
	Note 5. Premises Costs .....	12
	Note 6. Other Expenses .....	13
	Note 7. Charitable and Special Gifts .....	13
	Note 8. Human Resources Costs.....	13
	Note 9. Tangible Fixed Assets.....	14
	Note 10. Investments .....	15
	Note 11. Debtors and Prepayments.....	15
	Note 12. Bank and Building Society Balances.....	16
	Note 13. Analysis of Net Assets between Funds.....	16
6	Independent Examiner's Report to the Members and Trustees of Central United Reformed Church .....	17

## **1 Church Information**

### **1.1 Address:**

60 Norfolk Street  
Sheffield  
S1 2JB

### **1.2 Registered Charity Number**

1130271

### **1.3 Trustees of the Charity**

Mrs E D Flaherty (Secretary)  
Mr S Atkinson  
Mrs B Bagshaw  
Mrs J P Barnes (until Dec 2020)  
Rev S K Copley  
Ms A G Flaherty (Treasurer)  
Mrs A C Hammond  
Mrs A P Judge  
Rev Z A Orr  
Mr J M Riley  
Mrs M A Riley (until Dec 2019)  
Mrs H Wignall  
Mr D J Williams

### **1.4 Bankers**

HSBC  
17 Church Street  
Sheffield  
S1 1HH

Coventry Building Society  
24-26 Norfolk Row  
Sheffield  
S1 2PA

## **2 Annual Trustees' Report for the Year Ending 31 December 2020**

The Trustees present this report together with the financial statements for the year ending 31 December 2020.

### **2.1 Objectives and Activities of Central United Reformed Church**

Central United Reformed Church is part of the United Reformed Church in the United Kingdom. The objective of the Charity is the advancement of the Christian faith for the benefit of the public in accordance with the Scheme of Union of the United Reformed Church.

The church activities include (but are not limited to):

- Providing regular public worship for all
- Promoting the Christian faith
- Teaching the faith to all ages
- Providing training, nurture and activities for children and young people
- Serving the wider community
- Giving pastoral care and support to members and others in need, particularly those in sickness, distress or poverty
- Providing premises and resources for community groups and activities.

In carrying out these activities, the church has careful regard to the public benefit guidance published by the Charity Commission (PB1-PB3).

## **2.2 Review of Achievements and Performance**

At the start of 2020 Central United Reformed Church maintained our role within the wider church across the city and within the Team ministry structure.

In January, we participated in the Week for Christian Unity and commemorated Holocaust Memorial Day with prayers of remembrance.

The month of March started on a very positive note as we celebrated the International World Day of Prayer with a number of other churches across the City. However, on the 15th March we had to close the doors of our building due COVID -19 restrictions laid down by the Government. By the 23rd of March the City and the whole country was in lock down.

Our regular Sunday morning worship moved online, as did many of our other activities, such as Bible Study and Chats. The Norfolk Room Café remained closed throughout the year and no user groups were allowed to use the building. Our other mission activities ceased as did most involved direct work with individuals.

The work on the Manor Church and Community Project was also affected by the lock down restrictions, but they were able to achieve their aim for the William Temple Church to become a multiuse building. The newly refurbished building, now called William Temple Park Centre, continued to host some activities although their numbers were greatly reduced and the groups met outdoors.

The Croft House project continued but was also impacted by the building closing due to lockdown.

The Ministry Team continue to work on a new way of worshipping, which many people have engaged with both online and by telephone. However, others for whatever reason have stayed away and many are still coping with the isolation which comes from being vulnerable. We acknowledge that it has been a difficult time for all of us.

Although consideration was given to opening the Church building again in early autumn, the surge in coronavirus infections meant that the year ended with worship still online and working towards a 'new normal'.

### **2.2.1 Volunteers and Fund-raising Activities**

Due to the closure of the Church building, there have been very limited opportunities for volunteers to participate and almost all fund-raising activities have been put on hold.

### **2.3 Financial Review**

The Statement of Financial Activities shows the analysis of three separate funds, which are not formally designated or restricted.

The General Fund shows the Finances and resources for the general running of the church and its activities. A transfer from reserves was made to cover other costs incurred during the year of £31,132 (2019 £28,306) due to delays in payment by the shop leaseholder.

The Capital Fund accumulates the gains and losses on revaluation of investments and fixed assets, against which is charged depreciation for the rest of the year.

Rental income from shops and building society interest is accounted for in the Rent Fund. This income is initially used for the wider church and local/national charities but is increasingly having to support the day to day running of the church due to the decline in active members and therefore giving.

#### **2.3.1 Property Developments**

The investment properties at Croft House and Chapel Walk were professionally revalued at 31 Dec 2016 and the trustees do not consider that the values have changed significantly during this year.

#### **2.3.2 Reserves**

Reserves are maintained for the church purposes and possible future developments. The Rent Fund is held in the Coventry Building Society accounts. Freely available reserves at 31 December 2020, excluding fixed assets and investments, amounted to £103,828 (2019 £92,844).

#### **2.3.3 Investment Policy**

The investment policy adopted by the church aims for a balance of capital growth and income through ethical investments. The investments are held for the church by the Yorkshire Congregational Union and CCLA Investment Management Limited.

#### **2.3.4 Risk Review**

The trustees are aware of the increasing average age of the congregation and, as the members are a major source of revenue funding, the church is aware of its future financial vulnerability in this regard.

A subcommittee of the trustees has been established to review the major risks to which the charity is exposed, report and make recommendations to the trustees and church meeting on any mitigating actions required.

## **2.4 Structure, Governance and Management**

### **2.4.1 Governing Document**

Central United Reformed Church is registered with the Charity Commission (as of June 2009) under charity number 1130271. It is governed under trusts distilled from the United Reformed Church Acts of Parliament (1872 and 1982) and the Scheme of Union (1972).

### **2.4.2 Organisational Structure**

The main councils of the church are the Church Meeting and the Elders Meeting. The Church Meeting is required to make arrangements for the proper maintenance of buildings and the general oversight of all the financial responsibilities of the church and to adopt the annual financial report. The day-to-day finance of the church is delegated to the Church Treasurer and Assistants. The maintenance of the buildings is delegated to the Management Committee, a subcommittee of the Trustees. The trustees are appointed by virtue of them being eligible Elders and specific Officers of the church.

### **2.4.3 Trustees of the Charity**

The trustees are listed in Section 1.3.

### **2.4.4 Statement of the Church Meeting and Trustees' Responsibilities**

The church is required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of Central United Reformed Church and of its financial activities during that period. In preparing those financial statements, the church meeting is required to:

- a) Select suitable accounting policies and apply them consistently;
- b) Make judgements and estimates that are reasonable and prudent;
- c) State whether the policies are in accordance with applicable regulations and accounting standards have been followed;
- d) Prepare the accounts on a going concern basis, unless it is inappropriate to assume that the activities of the church will continue.

The Treasurer is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the church. The Treasurer is also responsible for safeguarding the assets of the church. Therefore, he or she is responsible for taking reasonable steps to prevent and detect fraud and other irregularities, together with the Trustees, the Management Committee and Church Meeting.

The church has taken advantage of disclosure exemptions in preparing this report by virtue of being a small charity.

The Trustees declare that they have approved the above Trustees' Report.

Signed on behalf of the Trustees:

Rev Z Orr (Chair of Trustees)

Ms A G Flaherty (Treasurer)

### 3 Statement of Financial Activities (Year Ending 31<sup>st</sup> December 2020)

#### Income and Expenditure

	General Fund £	Rent Fund £	Capital Fund £	Total 2020 £	Total 2019 £
<b>INCOME</b>					
<b>Donations and legacies</b>					
Offerings (Note 2)	£21,886			£21,886	£30,103
Donations and sundry income (Note 3)	£5,173			£5,173	£7,911
<b>Other activities</b>					
Refreshments	£3,960			£3,960	£16,830
Lettings/rent	£6,637	£77,175		£83,812	£106,320
<b>Other income</b>				£19,613	-
Coronavirus furlough grants	£19,613				
<b>Income from investments</b>	£4,413	£539		£4,952	£1,182
<b>Total income</b>	£61,682	£77,714	-	£139,396	£162,346
<b>EXPENDITURE</b>					
<b>Expenditure on Charitable activities</b>					
Charitable and special gifts (Note 7)		£210		£210	£1,077
<b>Other expenditure</b>					
Ministry (Note 4)	£42,601			£42,601	£48,870
Premises costs (Note 5)	£70,907			£70,907	£79,368
Refreshments cost	£583			£583	£3,841
Other expenses (Note 6)	£10,581			£10,581	£14,083
Depreciation			£4,085	£4,085	£4,223
<b>Total expenditure</b>	£124,672	£210	£4,085	£128,967	£151,462
<b>Net gains/(losses) on investments (Note 10)</b>			£1,980	£1,980	£5,024
<b>Net income/(expenditure)</b>	£(62,990)	£77,504	£(2,105)	£12,409	£15,908
<b>Transfers between funds</b>					
City Centre weighting adjustment	£41,807	£(41,807)	-	-	-
Additional transfers	£31,132	£(31,132)	-	-	-
<b>Gains/(losses) on revaluation of fixed assets (Note 9)</b>			-	-	-
<b>Net movement in funds</b>	£9,949	£4,565	£(2,105)	£12,409	£15,908
<b>Funds brought forward</b>	£21,182	£75,116	£2,466,512	£2,562,810	£2,546,902
<b>Funds carried forward</b>	£31,131	£79,681	£2,464,407	£2,575,219	£2,562,810

## 4 Balance Sheet

**At 31 December 2020**

	Notes	2019 £	2019 £
<b>FIXED ASSETS</b>			
Tangible assets	9	£736,154	£740,239
Investments	10	£1,287,462	£1,285,482
Total Fixed Assets		<u>£2,023,616</u>	<u>£ 2,025,721</u>
<b>CURRENT ASSETS</b>			
Stock		£800	£750
Debtors and prepayments	11	£12,731	£18,607
Investments - YCU Deposits		£447,775	£444,245
Building Society deposits	12	£79,681	£75,116
Bank and cash balances	12	£19,560	£10,135
		<u>£560,547</u>	<u>£548,853</u>
<b>CURRENT LIABILITIES</b>			
Creditors and accruals - due within one year		<u>£8,944</u>	<u>£11,764</u>
NET CURRENT ASSETS		£551,603	£537,089
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>£2,575,219</u>	<u>£2,562,810</u>
<b>REPRESENTED BY:</b>			
General Fund	13	£31,131	£21,182
Rent Fund	13	£79,681	£75,116
Capital Fund	13	£2,464,407	£2,466,512
TOTAL RESERVES		<u>£2,575,219</u>	<u>£ 2,562,810</u>

Approved by the Elders' Meeting on

and signed on behalf of the Trustees by:

Rev S K Copley  
 on behalf of Rev Z. Orr (Chairman of Trustees)

Ms A G Flaherty  
 (Treasurer)

## **5 Appendix: Notes to the Financial Statements**

### **Note 1. Principal Accounting Policies**

#### **Note 1.1 Basis of Preparation**

The financial statements of this charity, which is a public benefit entity under FRS102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The financial statements have been prepared under the historical cost convention with the exception of investments which are included at fair value, as modified by the revaluation of certain financial assets and liabilities.

The financial statements are prepared in sterling (GBP), which is the functional currency of the entity. The accruals basis of accounting has been adopted.

The charity has taken advantage of the disclosure exemption regarding the requirements of Section 7 Statement of Cash Flows, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

#### **Note 1.2 Judgements and Key Sources of Estimation Uncertainty**

The preparation of the Financial Statements requires the trustees to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continuously reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In the opinion of the trustees, there are no areas of judgement or key sources of estimation uncertainty that have a significant effect on the financial statements, other than the accounting policies detailed herein.

#### **Note 1.3 Classification of Funds**

Funds are classified as follows:

- General Funds for furthering the religious and charitable work of the church
- Designated Funds are funds which have been set aside for specific purposes, but which can be returned to General Funds at any time, if the Church Meeting so decides. On the Statement of Financial Activities, the Capital Fund identifies transactions relating to the capital values of tangible Fixed Assets and investments, and the Rent Fund relates to rents receivable on the Chapel Walk properties and expenditure from this
- Restricted funds are funds which may only be used according to the terms and conditions on which they were received.

**Note 1.4 Recognition of Income**

Income is included in the Statement of Financial Activities when the charity becomes entitled to the resources, it is probable that the income will be received, and the monetary value can be measured reliably. All voluntary giving is included for the period in which it is received.

**Note 1.5 Expenditure**

Expenditure is recognised on an accruals basis as a liability is incurred and includes attributable VAT which cannot be recovered.

**Note 1.6 Fixed Assets and Depreciation**

Tangible fixed assets for use by the charity are initially recorded at cost and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value of their date of revaluation less any subsequent accumulated depreciation.

Depreciation has been calculated to write down the cost or valuation of an asset, less its residual value, over its expected useful life using the following rates:

- Church fixtures and fittings 10% reducing balance
- Solar Panels 10% straight line.

**Note 1.7 Investment Property**

Investment property is initially recorded at cost, which includes the purchase price and any directly attributable expenditure. Investment property is then revalued to its fair value at each reporting date and any changes in fair value are recognised in the statement of financial activities.

**Note 1.8 Valuation of Fixed Assets**

Tangible fixed assets will be revalued every 5 years in accordance with the Charities SORP (FRS 102). These assets were valued on 31 Dec 2016, and therefore the next planned evaluation is due in December 2021.

The Charity may choose to revalue earlier than this date if exceptional circumstances occur which warrant this in the judgement of the Trustees or at the recommendation of the Treasurer.

**Note 1.9 Investments and investment income**

Investments are included at their fair value (mid-market value) and any changes to fair value are recognised in the statement of financial activities.

**Note 1.10 Stocks**

Stocks of stationery, cleaning materials and refreshments are stated at the lower of cost and net realisable value.

# Central United Reformed Church (Charity) Financial Statements EOY 2020



## Note 2. Offerings

Income from Offerings	2020	2019
Gift Aid Donations	£16,659	£20,036
Envelopes	£1,987	£296
Cash	£529	£2,263
Income tax recovered	£2,711	£7,508
<b>Total</b>	<b>£21,886</b>	<b>£30,103</b>

## Note 3. Donations and Sundry Income

Donations and sundry income	2020	2019
Church fund raising and sundry donations	£1,989	£4,902
Income from solar panels	£3,184	£3,009
<b>Total</b>	<b>£5,173</b>	<b>£7,911</b>

## Note 4. Ministry

Ministry	2020	2019
Ministry & Mission fund contributions	£31,296	£35,988
Synod levy	-	£700
Sheffield team contribution	£11,016	£11,016
Pulpit Supply	£120	£450
Motor & travel	£169	£716
<b>Total</b>	<b>£42,601</b>	<b>£48,870</b>

## Note 5. Premises Costs

Premises Costs	2020	2019
Salaries and employment	£41,631	£44,470
Water rates	£925	£1,483
Insurance	£7,278	£7,068
Heating & lighting	£8,759	£19,228
Repairs & servicing	£12,314	£7,119
<b>Total</b>	<b>£70,907</b>	<b>£79,368</b>



**Note 6. Other Expenses**

Other expenses	2020	2019
Organ & choir	£475	£350
Printing, stationery and publicity	£4,715	£4,209
Telephone	£975	£960
Legal & professional	£1,671	£3,604
Church activities	£665	£1,228
Donations	£305	£1,018
Miscellaneous expenses	£1,775	£2,714
<b>Total</b>	<b>£10,581</b>	<b>£14,083</b>

- Legal and professional costs include the fee for the Independent Examination of £750 (2019 - £1,000), paid by way of donation to Zion URC Oughtibridge

**Note 7. Charitable and Special Gifts**

Charitable & special gifts	2020	2019
International charities - Romania	-	£373
Benevolent (Special Income)	£210	£704
<b>Total</b>	<b>£210</b>	<b>£1,077</b>

**Note 8. Human Resources Costs**

(Included in Note 5 as Salaries & employment costs)

Salaries and employment costs breakdown	2020	2019
Remuneration paid to 4 (2019 – 4) employees	£40,203	£41,747
Employer's National Insurance	-	-
Pension Contributions	£3,253	£2,723
Furlough grants receivable	£(19,613)	-

- The Trustees and Officers of the Church receive no expenses or remuneration for their services
- The Ministry team is remunerated through the URC Ministry and Mission Fund (see Note 4)
- The Ministers' expenses are reimbursed via the Sheffield Team Costs (see Note 4)
- There were no related party transactions for the year ended 31 December 2019 or 2020

**Note 9. Tangible Fixed Assets**

Tangible Fixed Assets	Freehold Property (Church & Hall)	Fixtures, fittings & equipment	Solar Panels	Total
<b>At valuation</b>	£725,000	£17,000	£28,460	£770,460
<b>Additions</b>	-	-	-	-
<b>Disposals</b>	-	-	-	-
<b>Revaluations</b>	-	-	-	-
<b>Value at 31 December 2020</b>	£725,000	£17,000	£28,460	£770,460
<b>Depreciation</b>				
<b>Cumulative depreciation at 1 Jan 2020</b>	-	£4,607	£25,614	£30,221
<b>Charge for the year</b>	-	£1,239	£2,846	£4,085
<b>Revaluations</b>	-	-	-	-
<b>Total depreciation at 31 December 2020</b>	-	£5,846	£28,460	£34,306
<b>Net book value</b>				
<b>At 31 December 2020</b>	£725,000	£11,154	-	£736,154
<b>At 31 December 2019</b>	£725,000	£12,393	£2,846	£740,239

- Freehold Property was revalued at 31 December 2016 by Fowler Sandford, Chartered Surveyors on an open market basis.
- The Church Fixtures and Fittings were revalued at 16 December 2016 by Charterfields, Chartered Surveyors on a market value in situ basis
- The above valuations do not include Plant and Machinery, including the lift and Solar Panel installation. The Solar Panels have been included at a depreciated rate based on their initial cost and depreciation policy.
- Fixed Assets & Property will be revalued in December 2021, in line with the stated valuations policies (Note 1 paragraph 9).

**Note 10. Investments**

**Investments**

	<b>Listed Investments</b>	<b>Investment Properties</b>	<b>Total</b>
Carrying value at 1/1/2020	£35,482	£1,250,000	£1,285,482
Additions	-	-	-
Disposals	-	-	-
Revaluation gain	£1,980	-	£1,980
<b>Carrying value at 31/12/2020</b>	<b>£37,462</b>	<b>£1,250,000</b>	<b>£1,287,462</b>

**Investments recognised on the UK Stock exchange**

*Held by Brewin Dolphin*

*(on behalf of Yorkshire Congregational Union)*

	<b>Holding</b>	<b>Initial Cost</b>	<b>2020 Market Value</b>	<b>2019 Market Value</b>
COIF Income units	1,540.69	£2,014	£28,120	£26,487
Charibond Inc.	3,207.69	£4,000	£4,025	£3,979
Artemis Fund Managers Global Inc.	320.62	£263	£256	£270

*Held by CCLA Investment Management Ltd*

COIF Units	281	£375	£5,061	£4,746
------------	-----	------	--------	--------

<b>Total</b>		<b>£6,652</b>	<b>£37,462</b>	<b>£35,482</b>
--------------	--	---------------	----------------	----------------

	<b>2020</b>	<b>2019</b>
<b>Dividend income</b>	<b>£882</b>	<b>£633</b>

**Note 10.1 Investment Properties**

Investment properties comprise: 42-52 Chapel Walk and Croft House. The properties were revalued at 31 December 2016 by Fowler Sandford, Chartered Surveyors, at market value and the trustees do not consider that the values have changed significantly during this year.

**Note 11. Debtors and Prepayments**

**Debtors and Prepayments**

	<b>2020</b>	<b>2019</b>
Income tax recoverable	£3,324	£5,494
Sundry debtors and prepayments	£9,407	£13,113
	<b>£12,731</b>	<b>£18,607</b>

# Central United Reformed Church (Charity) Financial Statements EOY 2020



## Note 12. Bank and Building Society Balances

		2020	2019
<b>Cash Deposits</b>			
<b><i>Held by Coventry Building Society</i></b>	A/c Number		
Charities Account	571	£77,911	£73,360
Charities Account	586	£1,770	£1,756
<b>Total</b>		<b>£79,681</b>	<b>£75,116</b>
<b><i>Held By HSBC</i></b>			
Current Account	*****049	£19,139	£6,302
Money Manager Account	*****614	£46	£46
Covenants Money Manager Account	*****054	£1	£1
Refreshments Community Account	*****563	£353	£3,765
Traidcraft Community Account	*****092	£21	£21
<b>Total</b>		<b>£19,560</b>	<b>£10,135</b>

## Note 13. Analysis of Net Assets between Funds

Analysis of net assets between funds (31/12/2020)	General Fund	Rent Fund	Capital Fund
Tangible Fixed Assets	-	-	£736,154
Investments	-	-	£1,287,462
YCU Manse Capital deposit	-	-	£440,791
Building Society Deposits	-	£79,681	-
Other net current assets	£40,075	-	-
Current liabilities	£ (8,944)	-	-
	<b>£31,131</b>	<b>£79,681</b>	<b>£2,464,407</b>

## **6 Independent Examiner's Report to the Members and Trustees of Central United Reformed Church**

---

I report to the members on my examination of the accounts of the Central United Reformed Church Sheffield Charity for the year ended 31 December 2020, which are set out on pages 8 to 16.

### **Responsibilities and basis of report**

As described on page 7, the church meeting and trustees are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act'). They consider that an audit is not required for this year under section 144(2) of the 2011 Act and that an independent examination is needed. I report in respect of my examination of the accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

### **Independent examiner's statement**

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

- (1) accounting records were not kept in respect of the Church as required by section 130 of the Act; or
- (2) the accounts do not accord with those records; or
- (3) the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.
- (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 applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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.

R A Millard FCA  
Anderton House  
Sheffield, S35 0FU

September 2020